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**AGREEMENT OF PURCHASE AND SALE**

**BY AND BETWEEN**

**THE REALTY ASSOCIATES FUND X, L.P.**

**AND**

**LOS ALTOS SCHOOL DISTRICT**

Date: November 15, 2016

Property: 5150 El Camino Real  
Los Altos, California

## AGREEMENT OF PURCHASE AND SALE

**THIS AGREEMENT OF PURCHASE AND SALE** (the "**Agreement**") is made and entered into as of the 15th day of November, 2016, by and between **THE REALTY ASSOCIATES FUND X, L.P.**, a Delaware limited partnership (hereinafter referred to as "**Seller**"), and **LOS ALTOS SCHOOL DISTRICT**, a California public school district (hereinafter referred to as "**Purchaser**").

In consideration of the mutual promises, covenants and agreements hereinafter set forth and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

### ARTICLE I.

#### Sale of Property

**1.1. Sale of Property.** Seller hereby agrees to sell, assign and convey to Purchaser and Purchaser agrees to purchase from Seller, all of Seller's right, title and interest in and to, the following:

**1.1.1. Land and Improvements.** Those certain parcels of real property, more particularly described, on Exhibit A attached hereto and incorporated herein by reference thereto (the "**Land**"), together with all improvements located thereon (the "**Improvements**").

**1.1.2. Leases.** All leases, subleases, licenses and other occupancy agreements, together with any and all amendments, modifications or supplements thereto, are hereafter referred to collectively as the "**Leases**" being more particularly described on Exhibit E attached hereto, and all prepaid rent attributable to the period following the Closing, and subject to Section 4.2.4 below, the security deposits under such Leases (collectively, the "**Leasehold Property**").

**1.1.3. Real Property.** All rights, privileges and easements appurtenant to Seller's interest in the Land and the Improvements, if any, including, without limitation, all of Seller's right, title and interest, if any, in and to all mineral and water rights and all easements, licenses, covenants and other rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land and the Improvements (the Land, the Improvements and all such easements and appurtenances are sometimes collectively referred to herein as the "**Real Property**").

**1.1.4. Personal Property.** All personal property (including equipment), if any, owned by Seller and located on the Real Property as of the date hereof, all inventory located on the Real Property on the date of Closing (hereinafter defined), and all fixtures (if

any) owned by Seller and located on the Real Property as of the date hereof (the "**Personal Property**").

**1.1.5. Intangible Property.** All non-exclusive trademarks and trade names, if any, used or useful in connection with the Real Property, but only to the extent that the same are not trademarks or trade names of Seller or any of Seller's affiliated companies (collectively, the "**Trade Names**"), together with the Seller's interest, if any, in and to any service, equipment, supply and maintenance contracts (the "**Contracts**") guarantees, licenses, approvals, certificates, permits and warranties relating to the property, to the extent assignable (collectively, the "**Intangible Property**"). The Real Property, the Leasehold Property, the Personal Property, the Trade Names and the Intangible Property are sometimes collectively hereinafter referred to as the "**Property**".

**1.2. Excluded Property.** It is hereby acknowledged by the parties that Seller shall not convey to Purchaser claims relating to any real property tax refunds or rebates for periods accruing prior to the Closing, existing insurance claims and any existing claims against tenants of the Property, which claims shall be reserved by Seller.

## **ARTICLE II.**

### **Purchase Price**

**2.1. Purchase Price.** The purchase price for the Property shall be THIRTY NINE MILLION AND NO/100 DOLLARS (\$39,000,000.00) (the "**Purchase Price**"). The Purchase Price, as adjusted by all prorations as provided for herein, shall be paid to Seller by Purchaser at Closing, as herein defined, by wire transfer of immediately available federal funds.

## **ARTICLE III.**

### **Deposit**

**3.1. Initial Deposit.** Within one (1) business day after the Effective Date, as defined in Section 16.4 of this Agreement and as a condition precedent to the formation of this Agreement, Purchaser shall deposit FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) (the "**Initial Deposit**") with Chicago Title Insurance Company, Suite 800, 2828 Routh Street, Dallas, Texas 75201, Attention: Shannon Bright (the "**Escrow Agent**") in immediately available federal funds, the receipt of which is hereby acknowledged by Escrow Agent's execution hereof. If Purchaser shall fail to deposit the Initial Deposit within the time period provided for above, Seller may at any time prior to the deposit of the Initial Deposit, terminate this Agreement, in which case this Agreement shall be null and void ab initio and in such event Escrow Agent shall immediately deliver to Seller all copies of this Agreement in its possession and thereafter, neither party shall have

any further rights or obligations to the other hereunder, except as otherwise set forth in this Agreement.

**3.2. Additional Deposit.** If Purchaser elects not to terminate this Agreement under Section 5.5, Purchaser shall, on or before the end of the Feasibility Period (as such may be extended pursuant to Section 5.7), deposit FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) (the "**Additional Deposit**") with Escrow Agent in immediately available federal funds. If Purchaser shall fail to deposit the Additional Deposit within the time period provided for above, Seller may at any time prior to the deposit of the Additional Deposit, terminate this Agreement, in which case this Agreement shall be null and void ab initio and in such event Escrow Agent shall immediately deliver the Initial Deposit to Seller and thereafter, neither party shall have any further rights or obligations to the other hereunder, except as otherwise set forth in this Agreement. As used herein, the term "**Deposit**" means the Initial Deposit and the Additional Deposit, together with all interest accrued thereon.

**3.3. Application of Deposit.** If the Closing occurs, the Deposit shall be paid to Seller and credited against the Purchase Price at Closing. If the Closing does not occur in accordance with the terms hereof, the Deposit shall be held and delivered as hereinafter provided.

**3.4. Interest Bearing.** The Deposit shall (i) be held in an interest-bearing escrow account by Escrow Agent in an institution as directed by Purchaser and reasonably acceptable to Seller and (ii) include any interest earned thereon. To allow the interest bearing account to be opened, Purchaser's and Seller's tax identification or social security numbers are set forth below their signatures.

**3.5. Escrow Agent.** Escrow Agent is executing this Agreement to acknowledge Escrow Agent's responsibilities hereunder, which may be modified only by a written amendment signed by all of the parties. Any amendment to this Agreement that is not signed by Escrow Agent shall be effective as to the parties thereto, but shall not be binding on Escrow Agent. Escrow Agent shall accept the Deposit with the understanding of the parties that Escrow Agent is not a party to this Agreement except to the extent of its specific responsibilities hereunder, and does not assume or have any liability of the performance or non-performance of Purchaser or Seller hereunder to either of them. Additional provisions with respect to the Escrow Agent are set forth in Article XVI.

**3.6. Independent Consideration.** Within one (1) business day after the Effective Date, Purchaser shall pay to Seller (outside of Escrow) the sum of FIFTY AND NO/100 DOLLARS (\$50.00), as independent consideration for the execution of this Agreement. Such independent consideration shall be nonrefundable and shall not be applied against the Purchase Price.

## ARTICLE IV.

### Closing, Prorations and Closing Costs

**4.1. Closing.** The closing of the purchase and sale of the Property shall occur on or before 10:00 a.m. Eastern time on Tuesday, January 31, 2017 (or, if Purchaser properly exercises the Extension Option, Thursday, March 2, 2017) and shall be held through escrow at the offices of the Escrow Agent, or at such other place agreed to by Seller and Purchaser. "Closing" shall be deemed to have occurred when the Title Company has been instructed by both parties to release escrow and to record the Deed. Time is hereby made of the essence. The date of Closing is referred to in this Agreement as the "**Closing Date.**"

**4.2. Prorations.** All matters involving prorations or adjustments to be made in connection with Closing and not specifically provided for in some other provision of this Agreement shall be adjusted in accordance with this Section 4.2. Except as otherwise set forth herein, all items to be prorated pursuant to this Section 4.2 shall be prorated as of midnight of the day immediately preceding the Closing Date, with Purchaser to be treated as the owner of the Property, for purposes of prorations of income and expenses, on and after the Closing Date.

**4.2.1. Taxes.** Real estate and personal property taxes and special assessments, if any, shall be prorated as of the Closing Date. Seller shall pay all real estate and personal property taxes and special assessments attributable to the Property to, but not including, the Closing Date. If the real estate and/or personal property tax rate and assessments have not been set for the year in which the Closing occurs, then the proration of such taxes shall be based upon the rate and assessments for the preceding tax year and such proration shall be adjusted in cash between Seller and Purchaser upon presentation of written evidence that the actual taxes paid for the year in which the Closing occurs, differ from the amounts used in the Closing in accordance with the provisions of Section 4.2.5 hereof. All taxes imposed due to a change of use of the Property after the Closing Date shall be paid by the Purchaser. If any taxes which have been apportioned shall subsequently be reduced by abatement, the amount of such abatement, less the cost of obtaining the same and after deduction of sums payable to tenants under Leases or expired or terminated Leases, shall be equitably apportioned between the parties hereto.

**4.2.2. Insurance.** There shall be no proration of Seller's insurance premiums or assignment of Seller's insurance policies. Purchaser shall be obligated (at its own election) to obtain any insurance coverage deemed necessary or appropriate by Purchaser.

**4.2.3 Utilities.** Purchaser and Seller hereby acknowledge and agree that the amounts of all telephone, electric, sewer, water and other utility bills, trash removal bills, janitorial and maintenance service bills and all other operating expenses relating to the Property and allocable to the period prior to the Closing Date shall be determined and paid by Seller before Closing, if possible, or shall be paid thereafter by Seller or adjusted between

Purchaser and Seller immediately after the same have been determined. Seller shall attempt to have all utility meters read as of the Closing Date. Purchaser shall cause all utility services to be placed in Purchaser's name as of the Closing Date. If permitted by the applicable utilities, all utility deposits in Seller's name shall be assigned to Purchaser as of the Closing Date and Seller shall receive a credit therefor at Closing.

**4.2.4. Rents.** Rents (including, without limitation, estimated pass-through payments, payments for common area maintenance reconciliations and all additional charges payable by tenants under the Leases, (collectively, "**Rents**")) collected by Seller prior to Closing shall be prorated as of the Closing Date. During the period after Closing, Purchaser shall deliver to Seller any and all Rents accrued but uncollected as of the Closing Date to the extent subsequently collected by Purchaser; provided, however, Purchaser shall apply Rents received after Closing first to payment of current Rent then due, and will then apply the balance, if any to delinquent Rents. Notwithstanding the foregoing, "true up" payments received from tenants attributable to a year-end reconciliation of actual and budgeted pass-through payments shall be allocated among Seller and Purchaser pro rata in accordance with their respective period of ownership as set forth in Section 4.2.5 below. Seller shall have the right, after Closing, to proceed against tenants for Rents allocable to the period of Seller's ownership of the Property. Purchaser agrees that it shall use commercially reasonable efforts to collect all pass-through rents payable by tenants and any delinquent Rents (provided, however, that Purchaser shall have no obligation to institute legal proceedings, including an action for unlawful detainer, against a tenant owing delinquent Rents). If, whether as part of Rent or otherwise, any tenant pays Seller an amount each month representing the amortized portion of any excess tenant finish costs, Purchaser will provide Seller with a credit at the Closing equal to the unamortized portion of such costs and Purchaser will have the right to collect same from the tenant after Closing, but only if (i) Seller certifies in writing to Purchaser the amount due for such costs, (ii) Seller provides documentation satisfactory to Purchaser regarding the remaining balance of such costs and the tenant's contractual commitment to pay such costs, and (iii) Seller's right to receive such payments is assigned to Purchaser pursuant to a written instrument acceptable to Purchaser. The amount of any unapplied security deposits under the Leases held by Seller in cash at the time of Closing shall be credited against the Purchase Price; accordingly, Seller shall retain the actual cash deposits. Within five (5) business days following the Effective Date (as defined in Section 16.4), Seller shall provide Purchaser with documentation reflecting the amount of all security deposits received, the amount of any deductions from such deposits, and the balance, if any, held by Seller, and Seller shall provide Purchaser with updates to such information prior to the end of the Feasibility Period and prior to the Closing.

**4.2.5. Calculations.** For purposes of calculating prorations, Purchaser shall be deemed to be in title to the Property, and, therefore entitled to the income therefrom and responsible for the expenses thereof for the entire day upon which the Closing occurs. All such prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the day of the Closing and based upon the actual number of days in the month and a three hundred sixty five (365) day year. The amount of such prorations

shall be initially performed at Closing but shall be subject to adjustment in cash after the Closing as and when complete and accurate information becomes available, if such information is not available at the Closing. Seller and Purchaser agree to cooperate and use their best efforts to make such adjustments no later than sixty (60) days after the Closing (or as soon thereafter as may be practicable, with respect to common area maintenance and other additional rent charges (including pass-throughs for real estate and personal property taxes and special assessments) payable by tenants under leases). Except as set forth in this Section 4.2, all items of income and expense which accrue for the period prior to the Closing will be for the account of Seller and all items of income and expense which accrue for the period on and after the Closing will be for the account of Purchaser. The provisions of Section 4.2 shall survive the Closing.

**4.2.6. Leasing Commissions and Tenant Finish Costs.** Seller shall be responsible for all leasing commissions and tenant finish costs due and payable by the landlord with respect to Leases executed prior to the Effective Date (“**Existing Leases**”) other than those payable specifically with respect to any renewal or expansion of any Existing Lease after the Effective Date, subject to Purchaser’s rights under Section 9.5. Purchaser shall be responsible for all leasing commissions and tenant finish costs attributable to any new leases or specifically attributable to the renewal or expansion of any Existing Lease after the Effective Date, but only if same are executed in accordance with Section 9.5 or otherwise executed and/or exercised after the Closing. If Seller has, prior to the Closing, paid any leasing commissions or tenant finish costs which are Purchaser’s responsibility hereunder, Seller will receive a credit for same from Purchaser at the Closing. If any leasing commissions or tenant finish costs which are the responsibility of Seller hereunder are contingent upon the occurrence of a future event or failure of an event which is not reasonably certain as of Closing (such as a tenant’s tenant improvement allowance being subject to forfeiture if not used by a certain later date), then, in lieu of a credit to Purchaser, Seller and Purchaser shall, at Seller’s option, enter into an escrow agreement at Closing, reasonably acceptable in form and substance to all parties, whereby the Title Company will hold the applicable funds for release to Purchaser or Seller upon final determination of the entitlement to such reimbursement.

**4.2.7. Prepaid Items.** Any prepaid items, including, without limitation, fees for licenses which are transferred to the Purchaser at the Closing and annual permit and inspection fees shall be apportioned between the Seller and the Purchaser at the Closing.

**4.2.8. Declaration Assessments.** Any assessments and other charges paid by Seller under any private declaration recorded against the Property shall be prorated between Seller and Purchaser at the Closing.

**4.2.9 Seller to Provide Documentation.** By not later than five (5) business days after the Effective Date (as defined in Section 16.4), Seller shall provide Purchaser with documentation supporting any payments or credits to be made pursuant to Sections 4.2.4, 4.2.5, 4.2.6, 4.2.7 or 4.2.8, including without limitation payments or credits

attributable to delinquent rent, leasing commissions, tenant finish costs, or prepaid fees or licenses, and Seller shall provide Purchaser with updates regarding all such matters prior to the end of the Feasibility Period and prior to the Closing.

**4.3. Closing Costs.** Seller shall pay the basic title premium for the CLTA portion of the Owner's Policy, any State or County transfer taxes, and the cost of the Existing Survey (as hereinafter defined). Purchaser shall pay the cost of the ALTA portion of the Owner's Policy, the cost of any endorsements to the Owner's Policy, any local transfer taxes and the cost of the Survey (as hereinafter defined), together with the cost of any update or other changes requested by Purchaser to the Survey, including the cost of any ALTA Table A items or other certifications. Purchaser shall also pay all costs associated with Purchaser's due diligence. Each party shall be responsible for its own attorney's fees.

## **ARTICLE V.**

### **Purchaser's Right of Inspection; Feasibility Period**

**5.1. Right to Evaluate.** Commencing on the Effective Date and continuing until 5:00 p.m. Eastern time on Monday, January 16, 2017 (as such may be extended pursuant to Section 5.7, the "**Feasibility Period**"), Purchaser and its agents shall have the right during business hours (with reasonable advance notice to Seller and subject to the rights of the tenants in possession), at Purchaser's sole cost and expense and at Purchaser's and its agents' sole risk, to perform inspections and tests of the Property and to perform such other analyses, inquiries and investigations as Purchaser shall deem necessary or appropriate; provided, however, that in no event shall (i) such inspections or tests unreasonably disrupt or disturb the on-going operation of the Property or the rights of the tenants at the Property, or (ii) Purchaser or its agents or representatives conduct any physical testing, drilling, boring, sampling or removal of, on or through the surface of the Property (or any part or portion thereof) including, without limitation, any ground borings or invasive testing of the Improvements (collectively, "**Physical Testing**"), without Seller's prior written consent, which consent may be given or withheld in Seller's sole and absolute discretion. In the event Purchaser desires to conduct any such Physical Testing of the Property, then Purchaser shall submit to Seller, for Seller's approval, a written detailed description of the scope and extent of the proposed Physical Testing, which approval may be given or withheld in Seller's sole and absolute discretion. If Seller does not approve the Physical Testing or approves only a portion thereof, Purchaser may, at its option, by sending written notice to Seller, elect to, either (i) terminate this Agreement or (ii) conduct during the Feasibility Period that portion of the Physical Testing approved by Seller, if any, or if Seller disapproves the entire proposed Physical Testing, affirmatively agree to forego any Physical Testing of the Property. In the event Purchaser terminates this Agreement as aforesaid, the Deposit (except, if applicable, the Extension Portion, which shall be delivered to Seller) shall be immediately refunded to Purchaser and this Agreement shall terminate and be of no further force and effect other than the Surviving Termination Obligations (as hereinafter defined). In no event shall Seller be obligated as a condition of this transaction to perform or pay for

any environmental remediation of the Property recommended by any such Physical Testing. After making such tests and inspections, Purchaser agrees to promptly restore the Improvements and surface of the Real Property to its condition prior to such tests and inspections (which obligation shall survive the Closing or any termination of this Agreement). Prior to Purchaser entering the Property to conduct the inspections and tests described above, Purchaser shall obtain and maintain, at Purchaser's sole cost and expense, and shall deliver to Seller evidence of, the following insurance coverage, and shall cause each of its agents and contractors to obtain and maintain, and, upon request of Seller, shall deliver to Seller evidence of, the following insurance coverage: general liability insurance, from an insurer reasonably acceptable to Seller, in the amount of Five Million and No/100 Dollars (\$5,000,000.00) combined single limit for personal injury and property damage per occurrence, such policy to name Seller as an additional insured party, which insurance shall provide coverage against any claim for personal liability or property damage caused by Purchaser or its agents, employees or contractors in connection with such inspections and tests. Before the entry unto the Property by Purchaser or any of its agents, Purchaser must furnish Seller with a certificate of insurance, evidencing the above coverages, on ACORD Form 27 (and not ACORD Form 25-S), which certificate must provide that such insurance shall not be cancelled or changed until notice is delivered in accordance with the policy. Seller shall have the right, in its discretion, to accompany Purchaser and/or its agents during any inspection (including, but not limited to, tenant interviews) provided Seller or its agents do not unreasonably interfere with Purchaser's inspection. Seller acknowledges that Purchaser may provide comparable insurance under a program of self-insurance or pooled risk program.

**5.2. Inspection Obligations and Indemnity.** Purchaser and its agents and representatives shall: (a) not unreasonably disturb the tenants of the Improvements or interfere with their use of the Real Property pursuant to their respective Leases; (b) not interfere with the operation and maintenance of the Real Property; (c) not damage any part of the Property or any personal property owned or held by any tenant; (d) not injure or otherwise cause bodily harm to Seller, its agents, contractors and employees or any tenant; (e) promptly pay when due the costs of all tests, investigations and examinations done with regard to the Property; (f) not permit any liens to attach to the Property by reason of the exercise of its rights hereunder; (g) restore the Improvements and the surface of the Real Property to the condition in which the same was found before any such inspection or tests were undertaken; (h) not reveal or disclose any information obtained during the Feasibility Period concerning the Property to anyone outside Purchaser's organization other than its agents, consultants, representatives, lenders, financial partners and their agents, consultants and representatives; (i) not contact or otherwise interview any tenant except in the presence of Seller or one of Seller's representatives; and (j) not contact any Federal, State or local governmental authority concerning the Property, other than standard requests for zoning verification materials. Purchaser shall, at its sole cost and expense, comply with all applicable federal, state and local laws, statutes, rules, regulations, ordinances or policies in conducting its inspection of the Property and Physical Testing. Purchaser shall, and does hereby agree to indemnify, defend and hold the Seller, its partners, officers, directors,

employees, agents, attorneys and their respective successors and assigns, harmless from and against any and all claims, demands, suits, obligations, payments, damages, losses, penalties, liabilities, costs and expenses (including but not limited to attorneys' fees) arising out of Purchaser's or Purchaser's agents' actions taken in, on or about the Property in the exercise of the inspection right granted pursuant to Section 5.1, including, without limitation, (i) claims made by any tenant against Seller for Purchaser's entry into such tenant's premises or any interference with any tenant's use or damage to its premises or property in connection with Purchaser's review of the Property, and (ii) Purchaser's obligations pursuant to this Section 5.2, but exclusive of any damages to the marketability of the Property resulting from any adverse results obtained during an inspection undertaken by Purchaser in accordance with the terms of this Section 5.2. This Section 5.2 shall survive the Closing and/or any termination of this Agreement.

**5.3. Seller Deliveries.** Within three (3) days following the Effective Date (as defined in Section 16.4), Seller shall deliver to Purchaser all of the items specified on Exhibit B attached hereto (the "**Documents**") to the extent such items are in Seller's possession or control; provided, however, except as otherwise expressly set forth in Section 7.1 hereof, Seller makes no representations or warranties of any kind regarding the accuracy, thoroughness or completeness of or conclusions drawn in the information contained in such documents, if any, relating to the Property. Purchaser hereby waives any and all claims against Seller arising out of the accuracy, completeness, conclusions or statements expressed in materials so furnished. Notwithstanding anything contained in the preceding sentence, Seller shall not deliver or make available to Purchaser Seller's internal memoranda, attorney-client privileged materials, roof or other physical inspection reports, internal appraisals and economic evaluations of the Property, and reports regarding the Property prepared by Seller or its affiliates solely for internal use or for the information of the investors in Seller. Purchaser acknowledges that any and all of the Documents that are not otherwise known by or available to the public are proprietary and confidential in nature and will be delivered to Purchaser solely to assist Purchaser in determining the feasibility of purchasing the Property. Purchaser agrees not to disclose such non-public Documents, or any of the provisions, terms or conditions thereof, to any party outside of Purchaser's organization other than its agents, consultants, representatives, lenders and financial partners and their agents, consultants and representatives except as may be required by law. Purchaser shall return all of the Documents, on or before three (3) business days after the first to occur of (a) such time as Purchaser notifies Seller in writing that it shall not acquire the Property, or (b) such time as this Agreement is terminated for any reason. This Section 5.3 shall survive any termination of this Agreement without limitation.

**5.4. Independent Examination.** Purchaser shall rely upon its own independent examination of the Property and all matters relating thereto and not upon any statements of Seller (excluding the matters expressly represented by Seller in this Agreement) or of any officer, director, employee, agent or attorney of Seller with respect to acquiring the Property. Seller shall not be deemed to have represented or warranted the completeness or accuracy of

any studies, investigations and reports heretofore or hereafter furnished to Purchaser. The provisions of this Section 5.4 shall survive Closing and/or termination of this Agreement.

**5.5. Termination Right.** In the event that Purchaser determines that it does not desire to acquire the Property, Purchaser shall provide written notice to Seller before the end of the Feasibility Period, and, subject to the Surviving Termination Obligations (as defined in Section 16.12 herein), this Agreement shall terminate, the Deposit shall be delivered to Purchaser (except, if applicable, the Extension Portion, which shall be delivered to Seller) and thereupon neither party shall have any further rights or obligations to the other hereunder. If Purchaser shall fail to timely notify Seller in writing of its election to terminate this Agreement on or before the expiration of the Feasibility Period, time being of the essence, the termination right described in this Section 5.5 shall be immediately null and void and of no further force or effect. Purchaser's failure to provide such notice on or before the end of the Feasibility Period shall constitute Purchaser's waiver of the herein-described termination right. This is an "all or none" transaction and Purchaser has no right to partially terminate this Agreement as to any part of the Property. Notwithstanding any contrary provision of this Agreement, Seller's sole remedy in the event that Purchaser fails to purchase the Property due to a default on the part of Purchaser is limited to Seller's right to receive the Deposit pursuant to Section 13.2, and under no circumstance shall Seller have the right to seek specific performance of this Agreement or, except as otherwise expressly provided in Section 5.2 or elsewhere in this Agreement, the right to seek additional damages of any kind. This Section shall survive the Closing and/or any termination of this Agreement.

**5.6. Copies of Reports.** As additional consideration for the transaction contemplated herein, Purchaser agrees that it will provide to Seller, within five (5) days following a written request therefor, copies of any and all third (3<sup>rd</sup>) party reports, tests or studies relating to the Property in Purchaser's possession, including but not limited to those involving environmental matters. Notwithstanding any provision of this Agreement, no termination of this Agreement shall terminate Purchaser's obligations pursuant to the foregoing sentence.

**5.7. Right to Extend Feasibility Period.** If Purchaser requires additional time for approval of the suitability of the Property for Purchaser's proposed use and/or for the California Department of Education to complete their inspections and reports (collectively, the "**Remaining Diligence Items**"), Purchaser shall have the right to extend the Feasibility Period (the "**Extension Option**") until Wednesday, February 15, 2017, by delivery, on or before the end of the then current Feasibility Period (the "**Extension Exercise Deadline**"), to Seller and Escrow Agent of written notice exercising the Extension Option (the "**Extension Notice**"), which Extension Notice, in order to be effective, must also direct the Escrow Agent to immediately deliver \$100,000 of the Deposit (such portion of the Deposit, the "**Extension Portion**") to Seller in accordance with Seller's wire transfer instructions and must also confirm that Purchaser has waived any right to terminate the Agreement under Section 5.5, except for approval of the Remaining Diligence Items. If Purchaser fails to

deliver the Extension Notice (completed as aforesaid) or Seller fails to receive the Extension Portion on or before the Extension Exercise Deadline, Purchaser will be deemed to have waived Purchaser's right to the Extension Option and the Feasibility Period will end on the then scheduled last day of the Feasibility Period. If Purchaser exercises the Extension Option, the Extension Portion shall be non-refundable to Purchaser under all circumstances other than Seller's default in failing to close this transaction or if Purchaser exercises its right to terminate this Agreement under Sections 6.1 (the last sentence thereof only), 7.3 or 9.5, but, if the Closing occurs, will remain applicable to the Purchase Price. In particular (but without limitation), Purchaser acknowledges that, if Purchaser terminates this Agreement during the Feasibility Period (as so extended) or otherwise terminates this Agreement after the Feasibility Period for any reason, including a failure of a condition, Seller may retain the Extension Portion unless such termination is due to Seller's default in failing to close this transaction or due to Purchaser's exercise of its right to terminate this Agreement under Sections 6.1 (the last sentence thereof only), 7.3 or 9.5.

## ARTICLE VI.

### Title and Survey Matters

**6.1. Title.** By not later than two (2) business days following the Effective Date, Seller shall provide Purchaser with a preliminary title report (dated no earlier than 30 days prior to the Effective Date) or a title insurance commitment (the "**Commitment**") for an Owner's Policy of Title Insurance, issued by Chicago Title Insurance Company (the "**Title Company**"), covering the Real Property, together with a copy of all exceptions set forth therein. Purchaser shall notify Seller within ten (10) business days after the date Purchaser receives the Commitment and the Existing Survey but in no event later than the expiration of the Feasibility Period in writing of any title exceptions which Purchaser reasonably disapproves. Any title exception not disapproved in writing within said time period shall be deemed approved by Purchaser and shall constitute a "**Permitted Exception**" hereunder. If Purchaser elects not to terminate this Agreement under Section 5.5, Purchaser will be deemed to have waived any title objections which remain uncured as of the end of the Feasibility Period and such uncured title objections (other than those, if any, which Seller, in Seller's sole discretion, agrees in writing prior to the end of the Feasibility Period to cure prior to Closing) shall be considered Permitted Exceptions. Purchaser and Seller hereby agree that (i) all non-delinquent property taxes and assessments, (ii) the rights of the tenants under the Leases and Approved New Leases, (iii) all matters created by or on behalf of Purchaser, including, without limitation, any documents or instruments to be recorded as part of any financing for the acquisition of the Property by Purchaser and (iv) the exceptions to title identified on Exhibit D attached hereto, shall constitute "**Permitted Exceptions**". Notwithstanding anything to the contrary, any deed of trust or other monetary liens recorded against the Property as a result of any act or omission by Seller or Seller's employees, agents, or contractors and not the act or omission of any other party (e.g., not the acts of any tenant or Purchaser or its employees, agents or contractors), whether or not timely objected to, shall not be Permitted Exceptions (unless created due to actions of Purchaser), and Seller

shall cause any such lien to be removed, bonded or terminated, as applicable, on or before Closing. Without Seller's prior written consent, Purchaser shall not make any application to any governmental agency for any permit, approval, license or other entitlement for the Property or the use or development thereof; provided however, Seller's consent shall not be required in connection with any application for approvals by the City of Los Altos or the State Department of Education pertaining to Purchaser's intended use of the Property as a school site. If escrow terminates as a result of a default by either party, such defaulting party shall be responsible for any escrow cancellation fees and title fees. If escrow is terminated without fault by either party, the parties shall each be responsible for one-half of any escrow cancellation fees and title fees. Purchaser has the right to object to any title or survey matter which materially adversely affects the Property and arises after the end of the Feasibility Period and prior to the Closing, and Seller shall diligently cooperate (at no cost or liability to Seller) to remove or address any such objectionable title or survey matter. Notwithstanding any contrary provision of this Agreement, Seller's failure to remove, bond, or terminate all monetary liens and encumbrances affecting the Property which were created by any act or omission of Seller or Seller's employees, agents, or contractors and not the act or omission of any other party (e.g., not the acts of any tenant or Purchaser or its employees, agents or contractors), or to cause such removal, bonding or termination, shall entitle Purchaser to terminate this Agreement and receive the entire Deposit, including the Extension Portion. In the event Purchaser terminates this Agreement for the reasons set forth above, the Deposit, including the Extension Portion, shall be immediately refunded to Purchaser and neither Purchaser nor Seller shall thereafter have any other rights or remedies hereunder other than under Section 16.12 hereof.

**6.2. Survey.** Within two (2) business days following the Effective Date, Seller shall provide Purchaser with a copy of Seller's existing survey of the Property (the "**Existing Survey**"). Purchaser shall have the right to request a new survey or an update to the Existing Survey (any such new or updated survey, the "**Survey**") during the Feasibility Period. If the Survey discloses any matters which are unacceptable to Purchaser, in Purchaser's sole and absolute discretion, Purchaser shall notify Seller in writing no later than the expiration of the Feasibility Period. Any survey matter shown on the Survey not disapproved in writing within said time period (or otherwise shown on the Survey as of the last day of the Feasibility Period) shall be deemed approved by Purchaser and shall constitute a Permitted Exception hereunder. If Purchaser elects not to terminate this Agreement under Section 5.5, Purchaser will be deemed to have waived any survey objections which remain uncured as of the end of the Feasibility Period and such uncured survey objections shall be considered Permitted Exceptions. Seller may, at its sole election, on or before the Closing Date, have any Survey matters to which Purchaser has objected removed; provided, however, in no event will Seller be obligated to do so or otherwise incur costs with respect thereto. If Purchaser fails, for any or no reason, to obtain the Survey during the Feasibility Period, Purchaser will be deemed to have waived any requirement set forth in this Agreement regarding the Survey and all matters shown on the Existing Survey or which would be shown on a current survey of the Property had one been obtained, shall also be considered "Permitted Exceptions."

## ARTICLE VII.

### Representations and Warranties of the Seller

**7.1. Seller's Representations.** Seller represents and warrants that the following matters are true and correct as of the Effective Date with respect to the Property and as a condition of Closing, these matters will be true and correct at Closing. All of the following shall survive the Closing except and to the extent otherwise provided in this Agreement.

**7.1.1. Authority.** Seller is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of Delaware. This Agreement has been duly authorized, executed and delivered by Seller, is the legal, valid and binding obligation of Seller, and does not violate any provision of any agreement or judicial order to which Seller is a party or to which Seller is subject. All documents to be executed by Seller which are to be delivered at or prior to Closing, will (i) be duly authorized, executed and delivered by Seller, (ii) be legal, valid and binding obligations of Seller, and (iii) not violate any provision of any agreement or judicial order to which Seller is a party or to which Seller is subject. No consent of any person or entity that has not already been obtained is required for Seller to enter into and perform its obligations under this Agreement.

**7.1.2. Foreign Person.** Seller is not a foreign person within the meaning of Section 1445(f) of the Internal Revenue Code, and Seller agrees to execute any and all documents necessary or required by the Internal Revenue Service or Purchaser in connection with such declaration(s).

**7.1.3. No Default.** The execution and delivery of this Agreement, and consummation of the transaction described in this Agreement, will not constitute a default under any contract, lease, or agreement to which Seller is a party and relating to the Property.

**7.1.4. No Suits.** To the best of Seller's knowledge, there is no action, suit or proceeding pending against Seller and relating to or arising out of the ownership, management or operation of the Property, in any court or before or by and federal, state, or municipal department, commission, board, bureau or agency or other governmental instrumentality. Seller has received no notice of any such action, suit or proceeding.

**7.1.5 No Violation of Law.** Except as otherwise disclosed in the Documents, Seller has received no written notice from any governmental authority that the Improvements or the Property are in violation of law, including without limitation laws pertaining to hazardous materials, or building or zoning codes. Seller has received no written notice from any governmental authority of any hazardous materials located on the Property in violation of any applicable laws, rules or regulations, except as disclosed in the Documents.

**7.1.6 Delivery of Documents.** The Documents delivered to Purchaser include all reports pertaining to the presence of hazardous materials on the Property that Seller has commissioned or for which Seller has received a reliance letter.

**7.1.7 Leases.** Seller has delivered to Purchaser complete and accurate copies of all Leases, amendments to Leases, building service and management contracts, license agreements, rental agreements, and similar agreements pertaining to the Property or the Improvements executed by Seller, and to the best of Seller's knowledge, Seller has delivered to Purchaser complete and accurate copies of all Leases, amendments to Leases, building service and management contracts, license agreements, rental agreements, and similar agreements pertaining to the Property or the Improvements that were executed by Seller's predecessor(s) in interest and that are in effect as of the Effective Date.

7.1.7.1 The Leases executed by Seller, and to the best of Seller's knowledge, the Leases executed by Seller's predecessor(s) in interest that are in effect as of the Effective Date, are in full force and effect and have not been amended or modified except as disclosed in writing to Purchaser. Except as described in the Leases, the Documents or otherwise disclosed in writing to Purchaser, with respect to the Leases executed by Seller, and to the best of Seller's knowledge, with respect to the Leases executed by Seller's predecessor(s) in interest that are in effect as of the Effective Date: (a) no party to any Lease is in default, (b) none of the Leases are subject to any right of offset, defense or counterclaim on the part of the tenant, and (c) no rent has been prepaid nor concessions provided to any tenant. Purchaser agrees that if and to the extent that Purchaser receives a tenant estoppel addressing the matters described in this Subsection 7.1.7.1 with respect to any Lease, Purchaser shall rely upon such tenant estoppel in lieu of the representations of Seller set forth in this Subsection 7.1.7.1.

**7.1.8 No Bankruptcy.** Seller has not made a general assignment for the benefit of creditors, filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Seller's creditors, suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets, suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, admitted in writing its inability to pay its debts as they come due or made an offer of settlement, extension or composition to its creditors generally, nor are any such proceedings contemplated by Seller.

**7.1.9 Title.** Seller has no knowledge that any party has a right to possession of the Property except as disclosed by this Agreement, in the Commitment, in a recorded public record, or on the Survey, or otherwise disclosed in writing to Purchaser.

**7.2. Seller's Knowledge.** For purposes of this Agreement and any document delivered at Closing, whenever the phrases "to the best of Seller's knowledge", "to the current, actual, conscious knowledge of Seller" or the "knowledge" of Seller or words of similar import are used, they shall be deemed to refer to the current, actual knowledge only, and not any implied, imputed or constructive knowledge, without any independent investigation having been made or any implied duty to investigate, of James P. Raisides and

John Powell, and Seller represents that the foregoing are those employees of TA Realty, LLC with the responsibility for overseeing the sale, management and operation of the Property. Such individuals have no personal liability under this Agreement or otherwise with respect to the Property.

**7.3. Change in Representation/Waiver.** Notwithstanding anything to the contrary contained herein, Purchaser acknowledges that Purchaser shall not be entitled to rely on any representation made by Seller in this Article VII to the extent, prior to or at Closing, Purchaser shall have or obtain actual knowledge of any information that was contradictory to such representation or warranty; provided, however, if Purchaser determines prior to Closing that there is a breach of any of the representations and warranties made by Seller, then Purchaser may, at its option, by sending to Seller written notice of its election either (i) terminate this Agreement or (ii) waive such breach and proceed to Closing with no adjustment in the Purchase Price and Seller shall have no further liability as to such matter thereafter. In the event Purchaser terminates this Agreement for the reasons set forth above, the Deposit, including the Extension Portion, shall be immediately refunded to Purchaser and neither Purchaser nor Seller shall thereafter have any other rights or remedies hereunder other than under Section 16.12 hereof. In furtherance thereof, Seller shall have no liability with respect to any of the foregoing representations and warranties or any representations and warranties made in any other document executed and delivered by Seller to Purchaser, to the extent that, prior to the Closing, Purchaser discovers or learns of information (from whatever source, including, without limitation the property manager, the tenant estoppel certificates, as a result of Purchaser's due diligence tests, investigations and inspections of the Property, or disclosure by Seller or Seller's agents and employees) that contradicts any such representations and warranties, or renders any such representations and warranties untrue or incorrect, and Purchaser nevertheless consummates the transaction contemplated by this Agreement.

**7.4. Survival.** The express representations and warranties made in this Agreement by Seller shall survive for a period of twelve (12) months following the Closing Date, and shall not merge into any instrument or conveyance delivered at the Closing. Any action, suit or proceeding with respect to the truth, accuracy or completeness of such representations and warranties shall be commenced, if at all, on or before twelve (12) months following the Closing Date, and, if not commenced on or before such date, thereafter such representations and warranties shall be void and of no force or effect.

## **ARTICLE VIII.**

### **Representations and Warranties of Purchaser**

**8.1.** Purchaser represents and warrants to Seller that the following matters are true and correct as of the Effective Date. All of the following shall survive the Closing except and to the extent otherwise provided in this Agreement.

**8.1.1 Authority.** Purchaser is a California public school district, duly organized, validly existing and in good standing under the laws of the State of California. To the best of Purchaser's knowledge, this Agreement has been duly authorized, executed and delivered by Purchaser, is the legal, valid and binding obligation of Purchaser, and does not violate any provision of any agreement or judicial order to which Purchaser is a party or to which Purchaser is subject. All documents to be executed by Purchaser which are to be delivered at Closing, at the time of Closing will be duly authorized, executed and delivered by Purchaser, at the time of Closing will be legal, valid and binding obligations of Purchaser, and at the time of Closing will not violate any provision of any agreement or judicial order to which Purchaser is a party or to which Purchaser is subject.

**8.1.2. Bankruptcy or Debt of Purchaser.** Purchaser has not made a general assignment for the benefit of creditors, filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Purchaser's creditors, suffered the appointment of a receiver to take possession of all, or substantially all, of Purchaser's assets, suffered the attachment or other judicial seizure of all, or substantially all, of Purchaser's assets, admitted in writing its inability to pay its debts as they come due or made an offer of settlement, extension or composition to its creditors generally.

**8.1.3. ERISA Compliance.** Purchaser has informed Seller and Purchaser hereby represents and warrants to Seller that Purchaser is not a "plan" nor a plan "fiduciary" nor an entity holding "plan assets" (as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended, and its applicable regulations as issued by the Department of Labor and the Internal Revenue Service, "ERISA") nor an entity whose assets are deemed to be plan assets under ERISA and that Purchaser is acquiring the Property for Purchaser's own personal account and that the Property shall not constitute plan assets subject to ERISA upon conveyance of the Property by Seller and the closing of this Agreement between Purchaser and Seller. Seller shall not have any obligation to close the transaction contemplated by this Agreement if the transaction for any reason constitutes a prohibited transaction under ERISA or if Purchaser's representation is found to be false or misleading in any respect. The foregoing representation and warranty shall survive the Closing.

**8.1.4. No Financing Contingency.** It is expressly acknowledged by Purchaser that this transaction is not subject to any financing contingency, and no financing for this transaction shall be provided by Seller.

**8.1.5. No Consents.** No consent to the acquisition of the Property by Purchaser is required to be obtained from any person or entity, including, without limitation, any governmental agency or public administrative body; provided however, the parties acknowledge that during the Feasibility Period Purchaser must obtain the consent of the State Department of Education for use of the Property as a school site (and, if Purchaser does not elect to terminate this Agreement during the Feasibility Period, as same may be extended, Purchaser shall be deemed to have obtained such consent).

**8.1.6. Patriot Act.** Neither Purchaser nor any person, group, entity or nation that Purchaser is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 23, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, “Specially Designated National and Blocked Person,” or is otherwise a banned or blocked person, group, entity, or nation pursuant to any applicable Federal, State or local law, rule or regulation (each a “**Law**” and collectively, the “**Laws**”) that is enforced or administered by the Office of Foreign Assets Control, and Purchaser is not engaging in the transaction described in this Agreement, directly or indirectly, on behalf of, or instigating or facilitating such transaction, directly or indirectly, on behalf of, and is not controlled by (with ownership of 20% of more Purchaser’s voting securities being a presumptive control position) any such person, group, entity or nation. Neither Purchaser, nor any person that controls Purchaser, has its principal place of business or conducts the majority of its business operations (measured by revenue) in any nation described in the preceding sentence. Purchaser is not engaging in this transaction, directly or indirectly, in violation of any Laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Purchaser have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Purchaser is prohibited by Law or that the transaction or this Agreement is or will be in violation of Law. Purchaser has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

**8.2. Purchaser's Acknowledgment.** Purchaser acknowledges and agrees that, except as expressly provided in this Agreement, Seller has not made, does not make and specifically disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to (a) the nature, quality or condition of the Property, including, without limitation, the water, soil and geology, (b) the income to be derived from the Property, (c) the suitability of the Property for any and all activities and uses which Purchaser may conduct thereon, (d) the compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body, including, without limitation, the Americans with Disabilities Act and any rules and regulations promulgated thereunder or in connection therewith, (e) the habitability, merchantability or fitness for a particular purpose of the Property, or (f) any other matter with respect to the Property, and specifically that, except as provided herein, Seller has not made, does not make and specifically disclaims any representations regarding solid waste, as defined by the U.S. Environmental Protection Agency regulations at 40 C.F.R., Part 261, or the disposal or existence, in or on the Property, of any hazardous substance, as defined by the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, California Health and Safety Code Sections 25117 and 25316 and other applicable state laws, and regulations promulgated thereunder. Purchaser further acknowledges and agrees that, except as expressly provided in

this Agreement, having been given the opportunity to inspect the Property, Purchaser is relying solely on its own investigation of the Property and not on any information provided or to be provided by Seller. Purchaser further acknowledges and agrees that any information provided or to be provided with respect to the Property was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information. **Purchaser further acknowledges and agrees that, except as expressly provided in this Agreement, and as a material inducement to the execution and delivery of this Agreement by Seller, the sale of the Property as provided for herein is made on an "AS IS, WHERE IS" CONDITION AND BASIS "WITH ALL FAULTS."** Purchaser acknowledges, represents and warrants that Purchaser is not in a significantly disparate bargaining position with respect to Seller in connection with the transaction contemplated by this Agreement; that Purchaser freely and fairly agreed to this acknowledgment as part of the negotiations for the transaction contemplated by this Agreement; that Purchaser is represented by legal counsel in connection with this transaction and Purchaser has conferred with such legal counsel concerning this waiver. **Notwithstanding anything herein to the contrary, in no event shall Seller have any liability for any breach of a representation, warranty, covenant and/or indemnity set forth herein or in any of the closing documents in excess of One Million Five Hundred Thousand and no/100 Dollars (\$1,500,000) in the aggregate for all claims, including court costs and reasonable attorneys' fees for enforcement, in the aggregate.** The provisions of this Section 8.2 shall survive Closing and/or termination of this Agreement

**8.3. Purchaser's Release.** Purchaser on behalf of itself and its successors and assigns waives its right to recover from, and forever releases and discharges, Seller, Seller's affiliates, Seller's investment manager, property manager, the partners, trustees, shareholders, beneficiaries, directors, officers, employees, attorneys and agents of each of them, and their respective heirs, successors, personal representatives and assigns from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses known or unknown, foreseen or unforeseen, that may arise on account of or in any way be connected with (i) the physical condition of the Property, (ii) the condition of title to the Property, (iii) the presence on, under or about the Property of any hazardous or regulated substance, (iv) the Property's compliance with any applicable federal, state or local law, rule or regulation, or (v) any other aspect of the Property; provided, however, this release does not apply to Seller's breach of any of the representations and warranties of Seller set forth in this Agreement. The terms and provisions of this Section 8.3 shall survive Closing and/or termination of this Agreement.

**PURCHASER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:**

**"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**

**FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."**

**PURCHASER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.**

**8.4. Survival.** The express representations and warranties made in this Agreement by Purchaser shall not merge into any instrument of conveyance delivered at the Closing; provided, however, that any action, suit or proceeding with respect to the truth, accuracy or completeness of all such representations and warranties (except for the representation and warranty set forth in Section 8.1.3) shall be commenced, if at all, on or before twelve (12) months following the Closing Date and, if not commenced on or before such date, thereafter shall be void and of no force or effect. The representation and warranty set forth in Section 8.1.3 hereof shall survive Closing and/or termination of this Agreement.

**8.5 Disclosure Statement.** Seller may, but is not obligated to, deliver to Purchaser a Natural Hazard Disclosure Statement (the "**Statement**") in the form provided under California law. If Seller provides a Statement to Purchaser, the Statement will purport to disclose whether the Real Property is located in a special flood hazard area, a dam inundation failure area, a high fire severity area, a wildland fire area, an earthquake fault zone and/or a seismic hazard area (collectively, the "**Natural Hazard Areas**"). Purchaser represents and warrants to Seller as follows: (a) Purchaser and its agents are sophisticated investors in real estate and possess the expertise to assess whether the Real Property is located in any of the Natural Hazard Areas and the impact on Purchaser's use, operation, development and enjoyment of the Real Property if the Real Property is located in any of the Natural Hazard Areas, (b) prior to the last day of the Feasibility Period, independent of the Statement, Purchaser shall have determined whether the Real Property is located in any of the Natural Hazard Areas and will have assessed the impact on Purchaser's use, operation, development and enjoyment of the Real Property if the Real Property is located in any of the Natural Hazard Areas, and (c) Purchaser is not relying on the Statement (if one is delivered) in consummating the transactions contemplated hereby. If Seller delivers a Statement to Purchaser, Purchaser agrees that Seller shall have no liability to Purchaser for any errors or omissions in the Statement. Purchaser hereby waives any right it may have to receive a Statement from Seller and such waiver includes any right Purchaser may have to terminate this Agreement as a result of any such failure under California Civil Code Section 1103.3 or otherwise. Purchaser hereby releases Seller from any liability Seller may have to Purchaser as a result of Seller's failure to deliver a Statement to Purchaser, including, without limitation, any damages recoverable under California Civil Code Section 1103.13. The representations, warranties and agreements set forth herein shall survive the consummation of the transactions contemplated hereby.

**8.6 Section 25359.7 of Health and Safety Code.** Section 25359.7 of the California Health and Safety Code requires owners of non-residential real property who know, or have reasonable cause to believe, that any release of hazardous substance has come to be located on or beneath the real property to provide written notice of such to a buyer of the real property. Purchaser acknowledges and agrees that the sole inquiry and investigation Seller has conducted in connection with the environmental condition of the Property is to obtain and/or review those certain environmental assessments and studies of the Property listed in Exhibit B and delivered or to be delivered to Purchaser pursuant to this Agreement (collectively, "**Seller's Environmental Reports**"). Purchaser (a) acknowledges Purchaser's receipt of the foregoing notice given pursuant to Section 25359.7 of the California Health and Safety Code; (b) will be, prior to the expiration of the Feasibility Period, fully aware of the matters described in the Seller's Environmental Reports; and (c) after receiving advice of Purchaser's legal counsel, waives any and all rights Purchaser may have to assert that Seller has not complied with the requirements of Section 25359.7 of the California Health and Safety Code. The representations, warranties and agreements set forth herein shall survive the consummation of the transactions contemplated hereby.

## **ARTICLE IX.**

### **Seller's Interim Operating Covenants.**

**9.1. Operations.** Seller agrees to continue to operate, manage and maintain the Improvements through the Closing Date in the ordinary course of Seller's business and substantially in accordance with Seller's present practice, subject to ordinary wear and tear and further subject to Article XII of this Agreement.

**9.2. Maintain Insurance.** Seller agrees to maintain until the Closing Date fire and extended coverage insurance on the Property which is at least equivalent in all material respects to the insurance policies covering the Real Property and the Improvements as of the Effective Date.

**9.3. Personal Property.** Seller agrees not to transfer or remove any Personal Property from the Improvements after the Effective Date except for repair or replacement thereof. Any items of Personal Property replaced after the Effective Date shall be promptly installed prior to Closing and shall be of substantially similar quality to the item of Personal Property being replaced.

**9.4. No Sales.** Except for the execution of tenant Leases pursuant to Section 9.5, Seller agrees that it shall not convey any interest in the Property to any third party.

**9.5. Tenant Leases.** Subject to the provisions of this Section, Seller shall not, from and after the Effective Date: (i) grant any consent or waive any material rights under

the Leases, (ii) terminate any Lease, (iii) enter into a new lease, (iv) modify an Existing Lease, or (v) renew, extend or expand an Existing Lease, in each case without the prior written approval of Purchaser (an "**Approved New Lease**"), which in each case shall not be unreasonably withheld, conditioned or delayed, and which shall be deemed granted if Purchaser fails to respond to a request for approval within five (5) business days after receipt of the request therefor together with a summary of lease terms and credit information of the proposed tenant. Notwithstanding the foregoing, prior to the expiration of the Feasibility Period, Seller shall have the right to (i) enter into renewals, extensions or expansions of Existing Leases in accordance with the terms of any tenant options to renew, extend or expand contained in such Existing Leases, and (ii) enter into new Leases, provided that (a) the term of any such new Lease is not longer than two (2) years, and (b) any such new Lease contains an express acknowledgement by the tenant that Purchaser is in contract to acquire the Property, and that in the event that Purchaser acquires the Property, the tenant will not be eligible for relocation benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (the "URA"), California Relocation Law (Government Code Section 7260 et seq.) or the California Relocation Assistance Guidelines (California Code of Regulations, Title 25, Division 1, Chapter 6 ("Title 25"), and that the tenant expressly waives the right to claim any such relocation benefits. In the event that Seller shall enter into, modify, renew, grant concessions or terminate a Lease prior to the expiration of the Feasibility Period, it shall promptly notify Purchaser in writing thereof and shall include a copy of such document entered into by Seller by the date which is the earlier of (i) within three (3) days of such occurrence or (ii) the expiration of the Feasibility Period. If Seller fails to comply with the terms of this Section 9.5, Purchaser shall have the right to terminate this Agreement, and upon such termination, the Deposit, including the Extension Portion, shall be immediately refunded to Purchaser and neither Purchaser nor Seller shall thereafter have any other rights or remedies hereunder other than under Section 16.12 hereof.

## **ARTICLE X.**

### **Closing Conditions.**

**10.1. Conditions to Obligations of Seller.** The obligations of Seller under this Agreement to sell the Property and consummate the other transactions contemplated hereby shall be subject to the satisfaction of the following conditions on or before the Closing Date except to the extent that any of such conditions may be waived by Seller in writing at Closing.

**10.1.1. Representations, Warranties and Covenants of Purchaser.** All representations and warranties of Purchaser in this Agreement shall be true and correct in all material respects as of the Closing Date, with the same force and effect as if such representations and warranties were made anew as of the Closing Date and Purchaser shall

have performed and complied with all covenants and agreements required by this Agreement to be performed or complied with by Purchaser prior to the Closing Date.

**10.2. Conditions to Obligations of Purchaser.** The obligations of Purchaser under this Agreement to purchase the Property and consummate the other transactions contemplated hereby shall be subject to the satisfaction of the following conditions on or before the Closing Date, except to the extent that any of such conditions may be waived by Purchaser in writing at Closing.

**10.2.1. Representations, Warranties and Covenants of Seller.** All representations and warranties of Seller in this Agreement shall be true and correct in all material respects as of the Closing Date, with the same force and effect as if such representations and warranties were made anew as of the Closing Date and Seller shall have performed and complied in all material respects with all covenants and agreement required by this Agreement to be performed or complied with by Seller prior to the Closing Date. Notwithstanding the foregoing, no change in circumstances or status of the tenants (e.g., defaults, bankruptcies or other adverse matters relating to such tenant) occurring after the end of the Feasibility Period, shall permit Purchaser to terminate this Agreement or constitute grounds for Purchaser's failure to close in accordance with the terms hereof.

**10.2.2. Tenant Estoppels.** By not later than five (5) days before the Closing Date, Purchaser shall have received a Tenant estoppel certificate substantially in the form attached hereto as Exhibit C (or, if different, the form and content required under the applicable Lease) from tenants who occupy at least eighty percent (80%) of the leased rentable square footage of the Property ("**Required Estoppel Amount**"). Notwithstanding the foregoing, at Seller's sole option, Seller may extend the Closing Date for up to an additional thirty (30) days in order to satisfy the foregoing requirement in which event Seller shall deliver notice of such extension to Purchaser not less than one (1) day prior to the then existing Closing Date. In no event shall Seller be obligated to deliver updates to any of the tenant estoppel certificates. Seller will deliver Purchaser copies of the signed tenant estoppels promptly following Seller's receipt and, if Purchaser fails to deliver a written objection notice to Seller within three (3) business days following the date of delivery, such signed tenant estoppels will be deemed approved by Purchaser. Seller shall not be in default for failure to deliver any required tenant estoppel certificate, it being agreed that Purchaser's sole remedy for such failure shall be to terminate this Agreement and receive a refund of the Deposit (except, if applicable, the Extension Portion, which shall be delivered to Seller).

**10.2.3. Title Policy.** Upon recordation of the Deed and payment of the title insurance premiums, the Title Company shall be prepared to issue to Purchaser an Owner's Policy of Title Insurance in the form approved by Purchaser during the Feasibility Period and subject only to Permitted Exceptions – if Purchaser elects not to terminate during the Feasibility Period Purchaser will be deemed to have approved such form.

**10.2.4. Possession of the Property.** Delivery by Seller of possession of the Property, subject to the Permitted Exceptions and the rights of tenants under the Leases and Approved New Leases.

## ARTICLE XI.

### Closing

**11.1. Purchaser's Closing Obligations.** Purchaser, at its sole cost and expense, shall deliver or cause to be delivered to Seller at Closing the following:

**11.1.1.** The Purchase Price, after all adjustments are made at the Closing as herein provided, by wire transfer or other immediately available federal funds, which amount shall be received in escrow by the Title Company at or before 11:00 a.m. Pacific Standard Time.

**11.1.2** A blanket conveyance and bill of sale, substantially in the form attached hereto as Exhibit G (the "**General Assignment**"), duly executed by Purchaser, conveying and assigning to Purchaser the Personal Property, the Contracts, the records and plans, and the Intangible Property.

**11.1.3.** Written notice executed by Purchaser and addressed to the tenants, (i) acknowledging the sale of the Property to Purchaser, (ii) acknowledging that Purchaser has received and is responsible for any security deposits identified in the rent roll, and (iii) indicating that rent should thereafter be paid to Purchaser and giving instructions therefore, substantially in the form attached hereto as Exhibit H.

**11.1.4.** Evidence reasonably satisfactory to Seller and the Title Company that the person executing the Closing documents on behalf of Purchaser has full right, power and authority to do so.

**11.1.5.** A closing statement duly executed by Purchaser setting forth the Purchase Price and any adjustments thereto.

**11.1.6.** Such other documents as may be reasonably necessary or appropriate to effect the consummation of the transactions which are the subject of this Agreement.

**11.2. Seller's Closing Obligations.** Seller, at its sole cost and expense, shall deliver or cause to be delivered to Purchaser the following:

**11.2.1.** A grant deed (the "**Deed**") in recordable form duly executed and acknowledged by Seller conveying to Purchaser the Land and Improvements described on Exhibit A in fee simple, subject only to the Permitted Exceptions, substantially in the form attached hereto as Exhibit F.

**11.2.2.** The General Assignment, duly executed by Seller, conveying and assigning to Purchaser the Personal Property, the Contracts, the records and plans, and the Intangible Property.

**11.2.3.** Written notice executed by Seller (i) acknowledging the sale of the Property to Purchaser, (ii) acknowledging that Purchaser has received and is responsible for any security deposits identified in the rent roll, and (iii) indicating that rent should thereafter be paid to Purchaser, substantially in the form attached hereto as Exhibit H.

**11.2.4.** Evidence reasonably satisfactory to Purchaser and the Title Company that the person executing the Closing documents on behalf of Seller has full right, power and authority to do so.

**11.2.5.** A certificate duly executed by Seller substantially in the form attached hereto as Exhibit I ("**Non-foreign Entity Certification**") certifying that Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

**11.2.6.** The following items, to the extent in Seller's possession: (i) all keys for all entrance door and spaces which may be locked (whether occupied or not) in the Improvements; and (ii) all original (to the extent available, otherwise copies of) Leases, Contracts, permits, books, records, tenant files, tenant database, operating reports, plans and specifications and other materials reasonably necessary to the continuity of operation of the Property – the foregoing items may be delivered at the Property and not at the Closing.

**11.2.7.** A closing statement duly executed by Seller setting forth the Purchase Price and any adjustments thereto.

**11.2.8.** A California Form 593-C duly executed by Seller, as and to the extent prescribed by California law.

**11.2.9.** Such other documents as may be reasonably necessary or appropriate to effect the consummation of the transactions which are the subject of this Agreement.

## **ARTICLE XII.**

### **Risk of Loss.**

**12.1. Condemnation and Casualty.** If, prior to the Closing Date, all or any portion of the Property is taken by condemnation or eminent domain, or is the subject of a pending taking which has not been consummated, or is destroyed or damaged by fire or other casualty, Seller shall notify Purchaser of such fact promptly after Seller obtains knowledge thereof. If such condemnation or casualty is "**Material**" (as hereinafter defined), Purchaser

shall have the option to terminate this Agreement upon notice to Seller given not later than fifteen (15) days after receipt of Seller's notice, or the Closing Date, whichever is earlier. If this Agreement is terminated, the Deposit (except, if applicable, the Extension Portion, which shall be delivered to Seller) shall be returned to Purchaser and thereafter neither Seller nor Purchaser shall have any further rights or obligations to the other hereunder except with respect to the Surviving Termination Obligations. If this Agreement is not terminated, Seller shall not be obligated to repair any damage or destruction but (x) Seller shall assign, without recourse, and turn over to Purchaser all of the insurance proceeds or condemnation proceeds, as applicable, net of any costs of repairs and net of reasonable collection costs (or, if such have not been awarded, all of its right, title and interest therein) payable with respect to such fire or other casualty or condemnation including any rent abatement insurance for such casualty or condemnation and (y) the parties shall proceed to Closing pursuant to the terms hereof without abatement of the Purchase Price.

**12.2. Condemnation Not Material.** If the condemnation is not Material, then the Closing shall occur without abatement of the Purchase Price and, after deducting Seller's reasonable costs and expenses incurred in collecting any award, Seller shall assign, without recourse, all remaining awards or any rights to collect awards to Purchaser on the Closing Date.

**12.3. Casualty Not Material.** If the Casualty is not Material, then the Closing shall occur without abatement of the Purchase Price (except as provided in this Section), and Seller shall not be obligated to repair such damage or destruction and Seller shall assign, without recourse, and turn over to Purchaser all of the insurance proceeds net of any costs of repairs and net of reasonable collection costs (or, if such have not been awarded, all of its right, title and interest therein) payable with respect to such fire or such casualty including any rent abatement insurance for such casualty. The amount of any deductible under any insurance policy that applies to such Casualty shall be credited toward the Purchase Price.

**12.4. Materiality.** For purposes of this Article XII (i) with respect to a taking by eminent domain, the term "**Material**" shall mean any taking whatsoever, regardless of the amount of the award or the amount of the Property taken, excluding, however, any taking solely of (x) subsurface rights or takings for utility easements or right of way easements, if the surface of the Property, after such taking, may be used in the same manner, as reasonably determined by Purchaser, as though such rights had not been taken, or (y) one lease of less than 10% of the rentable square feet for a term of less than five years, and (ii) with respect to a casualty, the term "**Material**" shall mean any casualty such that the cost of repairs are greater than two percent (2%) of the Purchase Price.

## ARTICLE XIII.

### Default

**13.1. Default by Seller.** In the event the Closing and the transactions contemplated hereby do not occur as provided herein by reason of the default of Seller, Purchaser may elect, as the sole and exclusive remedy of Purchaser, to (i) terminate this Agreement and receive the Deposit including the Extension Portion from the Escrow Agent, and in such event Seller shall not have any liability whatsoever to Purchaser hereunder other than with respect to the Surviving Termination Obligations or as otherwise expressly provided in this Agreement, or (ii) enforce specific performance of Seller's obligation to convey the Property, without adjustment to, or credit against, the Purchase Price. Purchaser shall be deemed to have elected to terminate this Agreement (as provided in subsection (i) above) if Purchaser fails to deliver to Seller written notice of its intent to file a cause of action for specific performance against Seller on or before ten (10) days after written notice of termination from Seller or ten (10) days after the originally scheduled Closing Date, whichever shall occur first, or having given Seller notice, fails to file a lawsuit asserting such cause of action within thirty (30) days after the originally scheduled Closing Date. Notwithstanding the foregoing, nothing contained herein shall limit Purchaser's remedies at law or in equity, as to the Surviving Termination Obligations.

**13.2. Default by Purchaser.** IN THE EVENT THE CLOSING AND THE TRANSACTIONS CONTEMPLATED HEREBY DO NOT OCCUR AS PROVIDED HEREIN BY REASON OF ANY DEFAULT OF PURCHASER, PURCHASER AND SELLER AGREE IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX THE DAMAGES WHICH SELLER MAY SUFFER. THEREFORE, PURCHASER AND SELLER HEREBY AGREE A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT SELLER WOULD SUFFER IN THE EVENT PURCHASER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AND SHALL BE, AS SELLER'S SOLE AND EXCLUSIVE REMEDY (WHETHER AT LAW OR IN EQUITY), A SUM EQUAL TO THE DEPOSIT. UPON SUCH DEFAULT BY PURCHASER, SELLER SHALL HAVE THE RIGHT TO RECEIVE THE DEPOSIT FROM THE ESCROW AGENT AS ITS SOLE AND EXCLUSIVE REMEDY AND THEREUPON THIS AGREEMENT SHALL BE TERMINATED AND NEITHER SELLER NOR PURCHASER SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER EXCEPT WITH RESPECT TO THE SURVIVING TERMINATION OBLIGATIONS. THE AMOUNT OF THE DEPOSIT SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR PURCHASER'S DEFAULT AND FAILURE TO COMPLETE THE PURCHASE OF THE PROPERTY, ALL OTHER CLAIMS TO DAMAGES OR OTHER REMEDIES BEING HEREBY EXPRESSLY WAIVED BY SELLER. THE PAYMENT OF THE DEPOSIT AS LIQUIDATED

DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED HEREIN SHALL LIMIT SELLER'S REMEDIES AT LAW OR IN EQUITY AS TO THE SURVIVING TERMINATION OBLIGATIONS. THE PARTIES HAVE SET FORTH THEIR INITIALS BELOW TO INDICATE THEIR AGREEMENT WITH THE LIQUIDATED DAMAGES PROVISION CONTAINED IN THIS SECTION. THIS SECTION 13.2 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

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SELLER'S INITIALS

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PURCHASER'S INITIALS

## ARTICLE XIV.

### Brokers

**14.1. Brokers.** Purchaser and Seller each represents and warrants to the other that it has not dealt with any person or entity entitled to a brokerage commission, finder's fee or other compensation with respect to the transaction contemplated hereby other than Colin Feichtmeir and Dan Persyn of Cushman & Wakefield ("**Seller's Broker**") and Tom McGovern of Cushman & Wakefield ("**Purchaser's Broker**" and, together with Seller's Broker, "**Broker**"). Seller will be responsible for the commission owed Seller's Broker pursuant to the terms of a separate agreement with Seller's Broker. Purchaser will be responsible for the commission owed Purchaser's Broker pursuant to the terms of a separate agreement with Purchaser's Broker. Broker shall be paid only upon the Closing of the purchase and sale contemplated hereby pursuant to a separate agreement. Purchaser hereby agrees to indemnify, defend, and hold Seller harmless from and against any losses, damages, costs and expenses (including, but not limited to, attorneys' fees and costs) incurred by Seller by reason of any breach or inaccuracy of the Purchaser's (or its nominee's) representations and warranties contained in this Article XIV. Seller hereby agrees to indemnify, defend, and hold Purchaser harmless from and against any losses, damages, costs and expenses (including, but not limited to, attorneys' fees and costs) incurred by Purchaser by reason of any breach or inaccuracy of Seller's representations and warranties contained in this Article XIV. Seller and Purchaser agree that it is their specific intent that no broker shall be a party to or a third party beneficiary of this Agreement or the Deposit, that no broker shall have any rights or cause of action hereunder, and further that the consent of a broker shall not be necessary to any agreement, amendment, or document with respect to the transaction contemplated by this Agreement. The provisions of this Article XIV shall survive the Closing and/or termination of this Agreement.

## ARTICLE XV.

### Confidentiality

**15.1. Confidentiality.** Purchaser expressly acknowledges and agrees that the transactions contemplated by this Agreement, the Documents that are not otherwise known by or readily available to the public, and the terms, conditions and negotiations concerning the same, shall be held in the strictest confidence by Purchaser and shall not be disclosed by Purchaser except to its legal counsel, surveyor, title company, broker, accountants, consultants, officers, board members, partners, directors and shareholders and any prospective lenders, financial partners and their agents, consultants and representatives (the "**Authorized Representatives**"), except and only to the extent that disclosure may be necessary for its performance hereunder or required by law. Purchaser agrees that it shall instruct each of its Authorized Representatives to maintain the confidentiality of such information (and Purchaser shall be responsible for the failure of any Authorized Representative to so maintain) and at the request of Seller, to promptly inform Seller of the identity of each such Authorized Representative. Purchaser further acknowledges and agrees that, unless and until the Closing occurs, all information and materials obtained by Purchaser in connection with the Property that are not otherwise known by or readily available to the public will not be disclosed by Purchaser to any third persons (other than to its Authorized Representatives) without the prior written consent of Seller unless required by law. If the transaction contemplated by this Agreement does not occur for any reason whatsoever, Purchaser shall promptly return to Seller, and shall instruct its Authorized Representatives to return to Seller, all copies and originals of all documents and information provided to Purchaser by Seller. Nothing contained in this Section 15.1 shall preclude or limit either party from disclosing or accessing any information otherwise deemed confidential under this Section 15.1 in connection with the party's enforcement of its rights following a disagreement hereunder or in response to lawful process or subpoena or other valid or enforceable order of a court of competent jurisdiction or any filings with Authorities required by reason of the transactions provided for herein. The provisions of this Section 15.1 shall survive any termination of this Agreement. Seller acknowledges that Purchaser is a public agency that is subject to the provisions of the California Public Records Act (California Government Code Section 6250 *et seq.*) and the Ralph M. Brown Act (California Government Code Section 54950 *et seq.*) and that certain disclosures may be required pursuant thereto.

**15.2. Post Closing Publication.** Notwithstanding the foregoing, each party shall have the right to announce the acquisition of the Property in newspapers and real estate trade publications (including "tombstones") publicizing the purchase, provided that any public announcement of the transaction shall be made using only such information as is customarily found in public announcements of such transactions. The provisions of this Section 15.2 shall survive Closing and/or any termination of this Agreement.

## ARTICLE XVI.

### Miscellaneous

**16.1. Notices.** Any and all notices, requests, demands or other communications hereunder shall be deemed to have been duly given if in writing and if transmitted by hand delivery with receipt therefor, by facsimile delivery (with confirmation by hard copy), by overnight courier, or by registered or certified mail, return receipt requested, first class postage prepaid addressed as follows (or to such new address as the addressee of such a communication may have notified the sender thereof) (the date of such notice shall be the date of actual delivery to the recipient thereof):

To Purchaser:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Email: \_\_\_\_\_

With copies to:

Burke, Williams & Sorensen, LLP  
1901 Harrison Street, Suite 900  
Oakland, California 94612-3501  
Attn: Susan E. Bloch  
Telephone No.: (510) 273-8780  
Fax No.: (510) 839-9104  
Email: sbloch@bwslaw.com

To Seller:

c/o TA Realty, LLC  
28 State Street, 10th Floor  
Boston, Massachusetts 02109  
Attn: James P. Raisides  
Telephone: (617) 476-2700  
Fax No.: (617) 476-2799  
Email: jraisides@tarealty.com

with copies to:

c/o TA Realty, LLC  
1301 Dove Street, Suite 860  
Newport Beach, California 92660-2440  
Attn: John Powell  
Phone No.: (949) 852-2030  
Fax No.: (949) 852-2031  
E-mail: jpowell@tarealty.com

and

Stutzman, Bromberg, Esserman & Plifka,  
A Professional Corporation  
2323 Bryan Street, Suite 2200  
Dallas, Texas 75201  
Attn: Kenneth F. Plifka  
Phone: (214) 969-4900  
Fax No.: (214) 969-4999  
email: plifka@sbep-law.com

To Escrow Agent: Chicago Title Insurance Company  
2828 Routh Street, Suite 800  
Dallas, Texas 75201  
Attn: Ellen Schwab  
Telephone No.: (214) 965-1670  
Fax No.: (214) 965-1627  
Email: schwabe@ctt.com

**16.2. Governing Law.** This Agreement shall be governed by and construed in accordance with the internal, substantive laws of California, without regard to the conflict of laws principles thereof. Venue for any dispute arising under this Agreement shall be in Santa Clara County California.

**16.3. Headings.** The captions and headings herein are for convenience and reference only and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

**16.4. Effective Date.** This Agreement shall be effective upon delivery of this Agreement fully executed by the Seller and Purchaser, which date shall be deemed the Effective Date hereof. Either party may request that the other party promptly execute a memorandum specifying the Effective Date.

**16.5. Business Days.** If any date herein set forth for the performance of any obligations of Seller or Purchaser or for the delivery of any instrument or notice as herein provided should be on a Saturday, Sunday or legal holiday, the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or Federal holiday for which financial institutions or post offices are generally closed in the state where the Property is located.

**16.6. Counterpart Copies.** This Agreement may be executed in two or more counterpart copies, all of which counterparts shall have the same force and effect as if all parties hereto had executed a single copy of this Agreement.

**16.7. Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

**16.8. Assignment.** Purchaser shall not have the right to assign the Agreement without Seller's prior written consent, which consent may be given or withheld in Seller's sole and absolute discretion. Purchaser shall in no event be released from any of its obligations or liabilities hereunder as a result of any assignment. Purchaser shall have the right to assign this Agreement to a Section 1031 exchange intermediary subject to the terms of Section 16.20 hereof. Whenever reference is made in this Agreement to Seller or Purchaser, such reference shall include the successors and assigns of such party under this Agreement.

**16.9. Interpretation.** This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that both Seller and Purchaser have contributed substantially and materially to the preparation of this Agreement.

**16.10. Entire Agreement.** This Agreement and the Exhibits attached hereto contain the final and entire agreement between the parties hereto with respect to the sale and purchase of the Property and are intended to be an integration of all prior negotiations and understandings. Purchaser, Seller and their agents shall not be bound by any terms, conditions, statements, warranties or representations, oral or written, not contained herein. No change or modifications to this Agreement shall be valid unless the same is in writing and signed by the parties hereto. Each party reserves the right to waive any of the terms or conditions of this Agreement which are for their respective benefit and to consummate the transaction contemplated by this Agreement in accordance with the terms and conditions of this Agreement which have not been so waived. Any such waiver must be in writing signed by the party for whose benefit the provision is being waived.

**16.11. Severability.** If any one or more of the provisions hereof shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

**16.12. Survival.** Except as otherwise specifically provided for in Sections 4.2, 5.1, 5.2, 5.3, 5.4, 5.5, 7.1, 7.3, 7.4, 8.2, 8.3, 12.1, 13.2, 14, 15.1, 16.15, 16.16 and 16.20 (collectively, the "**Surviving Termination Obligations**") or as otherwise expressly stated in this Agreement, the provisions of this Agreement and the representations and warranties

herein shall not survive after the conveyance of title to the Property and payment of the Purchase Price but shall be merged therein.

**16.13. Exhibits.** Exhibits A through I attached hereto are incorporated herein by reference.

**16.14. Time.** Time is of the essence in the performance of each of the parties' respective obligations contained herein.

**16.15. Limitation of Liability.** The obligations of Seller are binding only on Seller's interest in the Property (including the proceeds of the sale contemplated by this Agreement regardless of which person or entity holds such proceeds), and shall not be personally binding upon, nor shall any resort be had to, any other assets of Seller nor the private properties of any of the partners, officers, directors, shareholders or beneficiaries of Seller, or of any partners, officers, directors, shareholders or beneficiaries of any partners of Seller, or of any of Seller's employees or agents. All documents to be executed by Seller shall also contain the foregoing exculpation. The provisions of this Section 16.15 shall survive Closing and/or any termination of this Agreement.

**16.16. Prevailing Party.** Should either party employ an attorney to enforce any of the provisions hereof, (whether before or after Closing, and including any claims or actions involving amounts held in escrow), the non-prevailing party in any final judgment agrees to pay the other party's reasonable expenses, including reasonable attorneys' fees and expenses in or out of litigation and, if in litigation, trial, appellate, bankruptcy or other proceedings, expended or incurred in connection therewith, as determined by a court of competent jurisdiction. The provisions of this Section 16.16 shall survive Closing and/or any termination of this Agreement.

**16.17. Escrow Agreement.**

**16.17.1. Instructions.** Purchaser and Seller each shall promptly deposit a copy of this Agreement executed by such party (or either of them shall deposit a copy executed by both Purchaser and Seller) with Escrow Agent, and, upon receipt of the Deposit from Purchaser, Escrow Agent shall immediately execute this Agreement where provided below. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Agent by written agreement, shall constitute the escrow instructions. If any requirements relating to the duties or obligations of Escrow Agent hereunder are not acceptable to Escrow Agent, or if Escrow Agent requires additional instructions, the parties hereto agree to make such deletions, substitutions and additions hereto as counsel for Purchaser and Seller shall mutually approve, which additional instructions shall not substantially alter the terms of this Agreement unless otherwise expressly agreed to by Seller and Purchaser.

**16.17.2. Real Estate Reporting Person.** Escrow Agent 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 Escrow Agent shall so provide. Upon the consummation of the transaction contemplated by this Agreement, Escrow Agent shall file Form 1099 information return and send the statement to Seller as required under the aforementioned statute and regulation. Seller and Purchaser shall promptly furnish their federal tax identification numbers to Escrow Agent and shall otherwise reasonably cooperate with Escrow Agent in connection with Escrow Agent's duties as real estate reporting person.

**16.17.3. Liability of Escrow Agent.** The parties acknowledge that the Escrow Agent shall be conclusively entitled to rely, except as hereinafter set forth, upon a certificate from Purchaser or Seller as to how the Deposit (which, for purposes of this Section shall be deemed to also include any other escrowed funds held by the Escrow Agent pursuant to this Agreement) should be disbursed. Any notice sent by Seller or Purchaser (the "**Notifying Party**") to the Escrow Agent shall be sent simultaneously to the other noticed parties pursuant to Section 16.1 herein (the "**Notice Parties**"). If the Notice Parties do not object to the Notifying Party's notice to the Escrow Agent within ten (10) days after the Notice Parties' receipt of the Notifying Party's certificate to the Escrow Agent, the Escrow Agent shall be able to rely on the same. If the Notice Parties send, within such ten (10) days, written notice to the Escrow Agent disputing the Notifying Party's certificate, a dispute shall exist and the Escrow Agent shall hold the Deposit as hereinafter provided. The parties hereto hereby acknowledge that Escrow Agent shall have no liability to any party on account of Escrow Agent's failure to disburse the Deposit if a dispute shall have arisen with respect to the propriety of such disbursement and, in the event of any dispute as to who is entitled to receive the Deposit, disburse them in accordance with the final order of a court of competent jurisdiction, or to deposit or interplead such funds into a court of competent jurisdiction pending a final decision of such controversy. The parties hereto further agree that Escrow Agent shall not be liable for failure to any depository and shall not be otherwise liable except in the event of Escrow Agent's gross negligence or willful misconduct. The Escrow Agent shall be reimbursed on an equal basis by Purchaser and Seller for any reasonable expenses incurred by the Escrow Agent arising from a dispute with respect to the Deposit. The obligations of Seller with respect to the Escrow Agent are intended to be binding only on Seller and Seller's assets and shall not be personally binding upon, nor shall any resort be had to, the private properties of any of the partners, officers, directors, shareholders or beneficiaries of Seller, or of any partners, officers, directors, shareholders or beneficiaries of any partners of Seller, or of any of Seller's employees or agents.

**16.18. No Recording.** Neither this Agreement nor any memorandum or short form hereof shall be recorded or filed in any public land or other public records of any jurisdiction, by either party and any attempt to do so may be treated by the other party as a breach of this Agreement.

**16.19. Waiver of Trial by Jury.** The respective parties hereto shall and hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Agreement, or for the enforcement of any remedy under any statute, emergency or otherwise.

**16.20. Section 1031 Exchange.** Purchaser may, without Seller's consent, assign this Agreement to a qualified intermediary in order to facilitate a like-kind exchange transaction, which includes the Property, pursuant to Section 1031 of the Internal Revenue Code. Seller further agrees to reasonably cooperate with Purchaser in effecting such transaction, provided that any such exchange transaction, and the related documentation, shall: (i) not require Seller to expend any additional funds or execute any contract, make any commitment, or incur any obligations, contingent or otherwise, to third parties which would expand Seller's obligations beyond this Agreement, (ii) not delay the Closing or the transaction contemplated by this Agreement, (iii) not release Purchaser or otherwise affect Purchaser's obligation to perform in accordance with the terms hereof or any liability of the parties to one another under the terms of this Agreement, and (iv) not include Seller's acquiring title to any property which is not the subject of this Agreement. Further, Purchaser shall indemnify Seller from and against all liability arising out of such cooperation (including reasonable attorneys' fees) which indemnity shall survive any closing hereunder or termination of this Agreement and it shall be Purchaser's responsibility to determine whether the exchange property and the transaction qualifies as an exchange of property of "like kind" within the meaning of the Internal Revenue Code, and Purchaser shall be solely responsible for the tax consequences to Purchaser of the exchange, it being agreed that Seller shall have no obligation or liability to Purchaser in connection therewith. The respective obligations of Seller and Purchaser under this Section 16.20 shall survive the Closing and shall not be merged therein.

*SIGNATURES ON FOLLOWING PAGES.*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement under seal on the date or dates set forth below.

**SELLER:**

THE REALTY ASSOCIATES FUND X, L.P.,  
a Delaware limited partnership

By: Realty Associates Fund X, LLC,  
its general partner

By: TA Realty LLC,  
its manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER:**

LOS ALTOS SCHOOL DISTRICT,  
a California public school district

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

The Escrow Agent hereby executes this Agreement for the sole purpose of acknowledging receipt of the Initial Deposit and its responsibilities hereunder and to evidence its consent to serve as Escrow Agent in accordance with the terms of this Agreement.

**ESCROW AGENT:**

CHICAGO TITLE INSURANCE COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2016

## **LIST OF EXHIBITS**

### **EXHIBITS**

Exhibit A	-	Legal Description
Exhibit B	-	Due Diligence Documents to be Delivered by Seller
Exhibit C	-	Form of Tenant Estoppel Certificate
Exhibit D	-	Permitted Exceptions
Exhibit E	-	Lease Schedule
Exhibit F	-	Form of Grant Deed
Exhibit G	-	Form of General Assignment
Exhibit H	-	Form of Notice Letter to Tenants
Exhibit I	-	Form of Non-Foreign Entity Certificate

**EXHIBIT A**

**LEGAL DESCRIPTION**

Real property in the City of Los Altos, County of Santa Clara, State of California, described as follows:

LOTS 1 THROUGH 6, INCLUSIVE, AS SHOWN UPON THAT CERTAIN MAP ENTITLED "TRACT NO. 7261, CITY OF LOS ALTOS, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA", WHICH MAP WAS FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, ON APRIL 12, 1983, IN BOOK 511 OF MAPS AT PAGES 4 AND 5.

APN: 170-04-066

## **EXHIBIT B**

### **DUE DILIGENCE DOCUMENTS TO BE DELIVERED BY SELLER**

#### **Tenant Information**

1. Rent Roll listing all tenants of the Property.
2. All rental agreements and leases, and all amendments thereto, including subleases.
3. Complete list of all leasing commissions payable with respect to the Property.
4. Complete list of all tenant improvement obligations.
5. Documentation supporting any payments or credits to be made pursuant to Sections 4.2.4, 4.2.5, 4.2.6, 4.2.7 or 4.2.8, including without limitation payments or credits attributable to delinquent rent, leasing commissions, tenant finish costs, or prepaid fees or licenses.

#### **Operating Information**

1. Copies of all service, maintenance, management and other contracts pertaining to the Property or the Improvements.
2. Copies of real estate tax bills (including special assessments) for prior two (2) years.
3. Two years of operating statements for the Property.

#### **Other**

1. Current title policy, report or commitment, together with all exception documents.
2. Seller's most recent survey.
3. [RESERVED].
4. Copies of all environmental reports concerning the Property.  
  
Phase I Environmental Site Assessment (ESA) performed by AECOM dated November 22, 2013
5. Copies of all licenses and permits concerning the Property.

6. Copies of plans and drawings pertaining to the Improvements.

## EXHIBIT C

### TENANT ESTOPPEL CERTIFICATE

\_\_\_\_\_ (the "Tenant") hereby certifies to THE REALTY ASSOCIATES FUND X, L.P., a Delaware limited partnership (the "Owner") and to LOS ALTOS SCHOOL DISTRICT, its successors or assigns ("Purchaser") as follows:

The undersigned Tenant understands that Purchaser or its assigns intends to purchase certain real property and improvements, which includes the Premises (the "Property"). In connection with the purchase by Purchaser, Purchaser has requested that the Tenant complete this tenant certificate (the "Tenant Certificate") with the appropriate information as it pertains to the Tenant's lease and to agree to the requirements set forth herein. Tenant acknowledges that Purchaser will rely upon Tenant's certifications hereunder in connection with the purchase of the Property.

The undersigned Tenant hereby certifies to and agrees with Owner and Purchaser as to the following:

1. Pursuant to that certain Lease dated \_\_\_\_\_, 20\_\_\_\_ (the "Lease"), Tenant leases approximately \_\_\_\_\_ square feet of space in the improvements located on the Property (the "Premises"). The Lease, as amended, modified and supplemented, is in full force and effect, and represents the entire agreement between Tenant and Owner for the Premises. There are no amendments, modifications or supplements to the Lease, whether oral or written, except as follows (include the date of each amendment, modification or supplement): \_\_\_\_\_  
\_\_\_\_\_. A true and correct copy of the Lease, as amended, modified and supplemented, is attached hereto as Exhibit A.

2. The term of the Lease began on \_\_\_\_\_, \_\_\_\_\_ and will end on \_\_\_\_\_, 20\_\_\_\_.

3. The Lease does/does not provide for an option to extend the term of the Lease for \_\_\_\_\_ years. Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Property, nor any right to purchase all or any part of the Premises or the Property except as follows:\_\_\_\_\_.

4. Tenant has neither sent nor received any notice of default under the Lease which remains uncured and to the best of Tenant's knowledge, neither Tenant nor Owner has committed any breach under the Lease, which alone or with the passage of the, giving of notice, or both would constitute a default thereunder, except as follows:  
\_\_\_\_\_.

5. Tenant is currently paying [Base Monthly] Rent under the Lease in the amount of \$\_\_\_\_\_ and estimated monthly pass throughs in the amount of \_\_\_\_\_.

6. Tenant has not prepaid any rent or other charge under the Lease to Owner other than the following: \_\_\_\_\_.

7. A cash security deposit in the amount of \$\_\_\_\_\_ has been paid to Owner under the Lease, and Tenant has not given Owner any other security or similar deposit.

8. Tenant has accepted possession of and is in full occupancy of the Premises and any improvements required to be made by Owner, if any, have been completed to the full satisfaction of Tenant and any tenant improvement allowances required by the Lease, if any, to be made by Owner have been paid in full satisfaction of Tenant, except for the following:\_\_\_\_\_.

The undersigned hereby certifies that the foregoing statements are accurate and complete.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

[NAME OF TENANT]

By:\_\_\_\_\_

Name:\_\_\_\_\_

Title:\_\_\_\_\_

## **EXHIBIT D**

### **PERMITTED EXCEPTIONS**

1. Nondelinquent real estate taxes for the year of Closing and subsequent years, a lien not yet due and payable and all general and special assessments.
2. Rights of tenants as tenants pursuant to unrecorded leases.
3. 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
4. Additional exceptions to be added subject to, and in accordance with, Article VI of the Agreement.

## **EXHIBIT E**

### **LIST OF LEASES**

- ADThink Media Corporation, Lease Agreement dated May 21, 2014
- Cibiem, Inc., Lease Agreement dated February 14, 2014
- Daintree Networks, Lease Agreement dated December 4, 2012, First Amendment dated March 8, 2016
- Duke Capital Ventures, Inc., Lease Agreement dated May 21, 2014, First Amendment dated July 7, 2015
- Electric Imp Incorporated, Lease Agreement dated June 26, 2014, First Amendment dated May 4, 2016
- Endeavor Group, LLC, Lease Agreement dated September 30, 2004, First Amendment dated August 14, 2006, Second Amendment dated April 3, 2008, Third Amendment dated June 4, 2009, Fourth Amendment dated June 10, 2010, Fifth Amendment dated May 2, 2011, Sixth Amendment dated May 12, 2014
- Expert Support Inc., Lease Agreement dated January 12, 2016
- Genetic Information Research Institute, Lease Agreement dated April 22, 2014
- Globavir Bioscience Inc., Lease Agreement dated October 1, 2014
- IP Venture Inc., Lease Agreement dated February 17, 2004, First Amendment dated July 28, 2005, Second Amendment dated January 13, 2006, Third Amendment dated September 28, 2006, Fourth Amendment dated October 2, 2007, Fifth Amendment dated September 8, 2008, Sixth Amendment dated November 11, 2009, Seventh Amendment dated October 4, 2010, Eighth Amendment dated September 30, 2011, Ninth Amendment dated October 3, 2012, Tenth Amendment dated September 27, 2013, Eleventh Amendment dated November 24, 2014, Twelfth Amendment dated October 2, 2015
- Law Offices of James M. Barrett PLC, Lease Agreement dated May 15, 2013
- James, Moore & Associates, Lease Agreement dated March 8, 2002, First Amendment dated February 26, 2004, Second Amendment dated March 24, 2005, Third Amendment dated April 4, 2006, Fourth Amendment dated October 13, 2006, Fifth Amendment dated September 17, 2007, Sixth Amendment dated September 24, 2008, Seventh Amendment dated July 15, 2009, Eighth Amendment dated October 18, 2010, Ninth Amendment dated October 12, 2011, Tenth Amendment dated October

1, 2012, Eleventh Amendment dated September 27, 2013, Twelfth Amendment dated October 2, 2014, Thirteenth Amendment dated November 19, 2015

- Mowingo, Inc., Lease Agreement dated April 1, 2014
- NextBT Group, LLC, Lease Agreement dated April 16, 2014, First Amendment dated December 19, 2014, Assignment Agreement dated May 26, 2016
- Off2, Inc., Lease Agreement dated August 26, 2015
- Palo Alto University, Inc., Lease Agreement dated May 24, 2004, First Amendment dated January 11, 2006, Second Amendment dated September 5, 2006, Third Amendment dated February 23, 2007, Fourth Amendment dated October 13, 2009, Fifth Amendment dated January 15, 2010, Sixth Amendment dated July 8, 2010, Seventh Amendment dated April 29, 2011, Eighth Amendment dated June 20, 2012
- Palo Alto University, Inc., Lease Agreement dated March 21, 2013, First Amendment dated July 25, 2014
- Patent Law Works, LLP, Lease Agreement dated November 16, 2011, First Amendment dated October 4, 2013, Second Amendment dated August 4, 2014
- Richardson Oliver Law Group, LLP, Lease Agreement dated April 15, 2013, First Amendment dated March 14, 2014, Second Amendment dated June 20, 2014
- Riot Games, Inc., Lease Agreement dated September 16, 2015, Consent to Transfer of Lease dated March 2, 2016
- Roberta Robins, Lease Agreement dated April 3, 2013, First Amendment dated May 17, 2016
- SBC Insurance Services, Lease Agreement dated April 9, 2002, First Amendment dated April 1, 2009, Second Amendment dated March 6, 2014
- Sothys Health, Inc., Lease Agreement dated August 8, 2012, First Amendment dated August 6, 2013, Second Amendment dated September 30, 2014, Third Amendment dated May 17, 2016
- Thomas Klope Associates, Inc., Lease Agreement dated August 9, 2011, First Amendment dated August 29, 2013, Second Amendment dated November 20, 2015
- University of Southern California, Lease Agreement dated June 26, 2014

**EXHIBIT F**

**FORM OF GRANT DEED**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**GRANT DEED**

THE UNDERSIGNED GRANTOR DECLARES:

Documentary transfer tax is \$\_\_\_\_\_

- (X) computed on full value of property conveyed, or  
( ) computed on full value, less value of liens and encumbrances  
remaining at time of sale.

\_\_\_\_\_  
Signature of Declarant

Parcel No.: \_\_\_\_\_

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

THE REALTY ASSOCIATES FUND X, L.P., a Delaware limited partnership ("Grantor"), grants, bargains, sells and conveys to \_\_\_\_\_ ("Grantee"), that certain real property located in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of California, and more particularly described as follows (the "Property"):

See attached Exhibit A, incorporated by reference to this document.

This Deed and the conveyance hereinabove set forth is executed by Grantor and accepted by Grantee subject to (i) non-delinquent real estate taxes and general and special assessments, and (ii) all other matters of record affecting the Property.

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Deed has been executed by Grantor to be effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**GRANTOR:**

THE REALTY ASSOCIATES FUND X, L.P.,  
a Delaware limited partnership

By: Realty Associates Fund X LLC,  
a Massachusetts limited liability company,  
general partner

By: TA Realty LLC,  
its manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

THE STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

On \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_, a \_\_\_\_\_ of TA Realty LLC, in its capacity as the manager of Realty Associates Fund X LLC, in its capacity as general partner of THE REALTY ASSOCIATES FUND X, L.P., a Delaware limited partnership, personally known to me (or 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 he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)

\_\_\_\_\_  
Notary Public in and for the said State

## EXHIBIT G

### GENERAL ASSIGNMENT

**THIS GENERAL ASSIGNMENT** (the "Assignment") is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2017 ("Effective Date") by: (i) THE REALTY ASSOCIATES FUND X, L.P., a Delaware limited partnership ("Seller"), and (ii) \_\_\_\_\_, a \_\_\_\_\_ ("Purchaser").

KNOW ALL MEN BY THESE PRESENTS:

Concurrently with the execution and delivery hereof, pursuant to a certain Agreement of Purchase and Sale dated \_\_\_\_\_, 2017 (the "Agreement") between Seller and Purchaser, Seller is conveying to Purchaser all of Seller's right, title and interest in and to the real property described on Exhibit A attached hereto and made a part hereof (the "Land") and in and to the building, parking areas and other structures and improvements located on the Land (collectively, the "Improvements") located in \_\_\_\_\_, California. The Land and the Improvements are hereinafter sometimes collectively referred to as the "Property."

It is the desire of Seller to hereby sell, assign, transfer, convey, set-over and deliver to Purchaser all of Seller's right, title and interest in and to the Assigned Property (as hereinafter defined).

1. Bill of Sale and Assignment. Seller does hereby sell, assign, transfer, set-over and deliver unto Purchaser, its successors and assigns, all right, title and interest of Seller in and to:

a. All personal property (including equipment), if any, owned by Seller and located on the Property as of the date hereof, all inventory located on the Property on the date hereof, and all fixtures (if any) owned by Seller and located on the Property as of the date hereof (the "Personal Property"); and

b. All non-exclusive trademarks and trade names, if any, used in connection with the Property, but only to the extent that the same are not trademarks or trade names of Seller or any of Seller's affiliated companies (collectively, the "Trade Names");

c. Seller's interest, if any, in and to the service, equipment, supply and maintenance contracts identified in the attached Exhibit G-1 (the "Contracts"), all guarantees, licenses, approvals, certificates, permits and warranties relating to the Property, to the extent assignable (collectively, the "Intangible Property");

d. All leases, subleases, licenses and other occupancy agreements, together with any and all amendments, modifications or supplements thereto (the "Leases") demising space in or otherwise similarly affecting or relating to the Property, together with all prepaid rent attributable to the period after the date hereof, all unapplied security deposits thereunder and all tenant representative leasing commission agreements applicable thereto (collectively, the "Leasehold Property"); subject, however to the rights of Seller set forth in the Agreement to rents under the leases assigned hereby attributable to the period prior to the date hereof; and

TO HAVE AND TO HOLD the Personal Property, the Trade Names, the Intangible Property, the Leases and the Leasehold Property (collectively, the "Assigned Property") unto Purchaser, its successors and assigns, forever.

2. Assumption. Purchaser accepts the foregoing assignment and assumes and agrees to be bound by and to perform and observe all of the obligations, covenants, terms and conditions to be performed or observed under the Assigned Property arising on or after the Effective Date.

3. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Agreement, and nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

4. Exclusions from Personal Property. It is hereby acknowledged by the parties that the Assigned Property shall not include claims relating to any real property tax refunds or rebates for periods accruing prior to the date hereof, insurance claims existing as of the date hereof, and any claims against tenants of the Property existing as of the date hereof, which claims are hereby reserved by Seller.

5. Counterpart Copies. This Assignment may be executed in two or more counterpart copies, all of which counterparts shall have the same force and effect as if all parties hereto had executed a single copy of this Bill of Sale.

6. Notices. Notices shall be delivered in accordance with Section 16.1 of the Agreement.

7. Governing Law. This Assignment shall be governed by and construed in accordance with the internal, substantive laws of California, without regard to the conflict of laws principles thereof. Venue for any dispute arising under this Assignment shall be in Santa Clara County California.

8. Headings. The captions and headings herein are for convenience and reference only and in no way define or limit the scope or content of this Assignment or in any way affect its provisions.

9. Interpretation. This Assignment shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that both Seller and Purchaser have contributed substantially and materially to the preparation of this Assignment.

10. Severability. If any one or more of the provisions hereof shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Assignment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

*SIGNATURES ON FOLLOWING PAGES.*

IN WITNESS WHEREOF, the parties have caused this Assignment to be executed as of the date first written above.

**SELLER:**

THE REALTY ASSOCIATES FUND X, L.P.,  
a Delaware limited partnership

By: Realty Associates Fund X LLC,  
a Massachusetts limited liability company,  
general partner

By: TA Realty LLC,  
its manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER:**

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **EXHIBIT G-1**

### **CONTRACTS**

#### **Day Porter and Night Cleaning**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Environmental Service Partners Inc., Contractor, dated July 28, 2016.

#### **Elevator Service**

Agreement by and between Woodmont Real Estate Services, (former) Agent, on behalf of The Realty Associates Fund X LP, Owner, and Orkin, Contractor, dated June 2014.

#### **Engineering Services**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Environmental Service Partners Inc., Contractor, dated July 28, 2016.

#### **Fire Alarm System Testing**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Cintas Fire Protection, Contractor, dated November 1, 2014.

#### **Fire Alarm Monitoring**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Cintas Fire Protection, Contractor, dated September 18, 2014.

#### **Fire Sprinkler Inspection**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and GP Fire Protection, Contractor, dated July 28, 2016.

#### **HVAC**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and J&J Air Conditioning, Contractor, dated July 28, 2016.

#### **Landscaping**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Landscape Management Services, Contractor, dated July 28, 2016.

#### **Parking Lot Sweeping**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Sweepalot Inc., Contractor, dated September 13, 2014.

**Pest Control**

Agreement by and between Woodmont Real Estate Services, (former) Agent, on behalf of The Realty Associates Fund X LP, Owner, and Orkin, Contractor, dated June 2014.

**Security Patrol**

Agreement by and between Davis Partners, Agent, on behalf of The Realty Associates Fund X LP, Owner, and Orion Security Contractor, dated April 13, 2016.

**EXHIBIT H**

**NOTICE LETTER TO TENANTS**

\_\_\_\_\_, 2016

CERTIFIED MAIL,  
RETURN RECEIPT REQUESTED

Dear Tenant:

We are pleased to advise you that the building in which your premises are located at \_\_\_\_\_, has been sold by **THE REALTY ASSOCIATES FUND X, L.P.** to \_\_\_\_\_ (the "Purchaser") effective as of the date set forth above. Your lease agreement has been assigned to and accepted by Purchaser and Purchaser has agreed to assume all responsibility for security deposits currently held under your lease, such deposit being in the amount of \$\_\_\_\_\_.

All future correspondence relating to your tenancy, as well as rent checks and other charges, should be made payable and mailed to \_\_\_\_\_ c/o \_\_\_\_\_.

The Purchaser looks forward to working with you in the operation of this Property.

Very truly yours,

**SELLER:**

THE REALTY ASSOCIATES FUND X, L.P.,  
a Delaware limited partnership

By: Realty Associates Fund X LLC,  
a Massachusetts limited liability company,  
general partner

By: TA Realty LLC,  
its manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PURCHASER:**

\_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

## **EXHIBIT I**

### **NON-FOREIGN ENTITY CERTIFICATE**

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by **THE REALTY ASSOCIATES FUND X, L.P.**, a Delaware limited partnership ("Transferor"), the undersigned hereby certifies on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor's U.S. employer identification number is \_\_\_\_\_;  
and
3. Transferor's office address is:  
  
c/o TA Realty, LLC  
28 State Street, 10th Floor  
Boston, Massachusetts 02109.
4. The Transferor is not a "disregarded entity" (as that term is defined in the Code and the Income Tax Regulations promulgated thereunder).

Transferor understands that this certification may be disclosed to the Internal Revenue Service and that any false statement made within this certification could be punished by fine, imprisonment, or both.

Under penalties of perjury the undersigned declares that he has examined this certification and that to the best of his knowledge and belief it is true, correct and complete, and the undersigned further declares that he has the authority to sign this document on behalf of the Transferor.

Dated: \_\_\_\_\_, 2017

**TRANSFEROR:**

THE REALTY ASSOCIATES FUND X, L.P.,  
a Delaware limited partnership

By: Realty Associates Fund X LLC,  
a Massachusetts limited liability company,  
general partner

By: TA Realty LLC,  
its manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_