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*Attorneys for the Debtors and
 Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re:

LEFEVER MATTSON, a California
 corporation, *et al.*,¹

Debtors.

Lead Case No. 24-10545 (CN)

(Jointly Administered)

Chapter 11

**NOTICE OF SALE OF SUBJECT
 PROPERTY 4950, 4960, AND 4970
 ALLISON PARKWAY, VACAVILLE,
 CA 95688**

In re

KS MATTSON PARTNERS, LP,

Debtor.

(LARGE ASSET SALE)

**LIEN HOLDER: CITIZENS
 BUSINESS BANK (AS SUCCESSOR-
 IN-INTEREST TO SUNCREST BANK)**

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 9562. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/IM>

1 **PLEASE TAKE NOTICE THAT** pursuant to the *Order Establishing Procedures for*
2 *Real Property Sales* [Dkt. No. 971] (the “Sale Procedures Order”)² entered on March 5, 2025,
3 LeFever Mattson, a California corporation, and certain of its affiliates that are debtors and debtors
4 in possession (the “Debtors”)³ in the above-captioned chapter 11 cases propose to sell certain of
their real property in accordance with the approved Sale Procedures. The proposed sale has the
following terms:

5 The address of the property proposed to be sold (the “Subject Property”):

6 4950, 4960, and 4970 Allison Parkway
7 Vacaville, CA 95688

8 APN: 0133-330-040, 0133-330-030, and 0133-330-020

9 The sale price is \$7,300,000.

10 Title holder of the Subject Property: Windscape Apartments, LLC

11 Citizens Business Bank (as successor-in-interest to Suncrest Bank) (the “Secured Lender”)
12 holds a lien against the Subject Property in the amount of \$3,616,326.80⁴ including an interest rate
13 of \$493.82 per diem until the date of payment is received by the Secured Lender. Upon closing of
14 the sale, the Secured Lender’s lien will be paid in full from sale proceeds through escrow by the
title company. The Secured Lender’s lien is undisputed. The sale free and clear of the lien is
15 proper pursuant to section 363(f)(3) of the Bankruptcy Code because the net proceeds of the sale
are greater than the aggregate amount of claims secured by the Subject Property and the Secured
16 Lender will be paid in full. Moreover, the sale is proper pursuant to section 363(f)(5) because the
Secured Lender could be compelled to accept a money satisfaction of its interest.

17 The Subject Property was marketed as follows: Since May 12, 2025, the Subject Property
has been listed with Marcus & Millichap Real Estate Investment Services, Inc. It was listed on
18 CoStar, LoopNet, and the broker’s website. The listing recorded 6,408 views across CoStar and
LoopNet. Property tours were held on May 15, May 19, and June 2, 2025. As a result, 28 non-
19 disclosure agreements were executed, and seven offers were received. The Buyer’s offer was
determined to be the highest and best and was subsequently accepted.

20 Proposed Buyer: Allison Parkway Partners LLC, a California limited liability company
21 (the “Buyer”)

22 Known connections to the Debtors: *None known.*

23 Pursuant to section 363(f) of the Bankruptcy Code, the Debtors may sell the Subject
24 Property free and clear of all liens for the following reason(s): The holder of the lien will be paid

25 ² Capitalized terms not otherwise defined herein shall have the meaning given to them in the
26 Sale Procedures Order.

27 ³ Unless otherwise indicated, “Debtors” as used herein excludes KSMP.

28 ⁴ The Subject Property is cross-collateralized with the property located at 103 and 105
Commerce Court, Fairfield, California, also owned by the Debtors.

in full satisfaction of the lien from the proceeds of the sale of the Subject Property.

Broker: Marcus & Millichap Real Estate Investment Services, Inc.

Known connections to the Debtors: *None known.*

Compensation: 2.25% of Sale Price (\$164,250)

Date and Docket Number of Employment Order: February 15, 2025 [Dkt. No. 846]; April 17, 2025 [Dkt. No. 1342]; May 8, 2025 [Dkt. No. 1405]; August 11, 2025 [Dkt. No. 1985]; August 21, 2025 [Dkt. No. 2073]

The following unexpired leases or executory contracts (the "Leases") are associated with the Subject Property:

Counter Party	Title	Treatment	Cure Amount (if any) ⁵
Home Tax Service of America, Inc. (dba LeFever Mattson Property Management)	Management Agreement	Reject	N/A
4950 Allison Parkway			
Suite A – John Cotta and Alex Hernandez	Lease Expires July 31, 2029	Assume	None
Suites B and C – Cal.net	Lease Expires March 15, 2027	Assume	None
Suite D – Cennox Project and Security Solutions, LLC	Lease Expires February 28, 2027	Assume	None
4960 Allison Parkway			
Suites A/L, B/K, and E/H – J3C Group, LLC and Steven Brown	Lease Expires April 14, 2026	Assume	None
Suites C and J – Tiger Tile and Stone, Inc and Moises Gomez	Lease Expires December 31, 2025	Assume	None
4970 Allison Parkway			
Suite A – Calson Management, LLC	Lease Expires September 31, 2025	Assume	None
Suite B – Armando Hernandez Engineering	Lease Expires November 30, 2027	Assume	None
Suite C – IES Communications, LLC	Lease Expires May 31, 2028	Assume	None
Suite F – JL Tile (John Long)	Lease Expires January 31, 2026	Assume	None

Adequate assurance information: *See Declaration of William C. Marks in Support of Adequate Assurance of Future Performance by Allison Parkway Partners LLC, a California*

⁵ Cure amount, if any, will be prorated based on the date escrow closes once the closing date is known.

Limited Liability Company, with Respect to the Assumption and Assignment of Executory Leases and/or Unexpired Contracts in Connection with the Sale of 4950, 4960, and 4970 Allison Parkway, Vacaville, CA 95688, filed concurrently herewith.

Title and escrow company: Commonwealth Land Title

Escrow number: 972500107

Closing payments and treatment of liens:

Secured Debt/Interest ⁶	\$3,660,757
Property Tax	\$161,706
Seller Broker Fees	\$164,250
FTI Fees	\$109,500
Est. Other Closing Costs	\$20,000
Disbursements	<u>\$4,116,213</u>

Estimated Net Proceeds of Sale: \$3,183,787

Auction Procedures: If a qualified overbid is received prior to the Objection Deadline (as defined below), the Debtors shall conduct an auction (the “Auction”) according to the procedures (the “Auction Procedures”) attached hereto as **Exhibit 2**.

PLEASE TAKE FURTHER NOTICE THAT this Sale Notice shall be served by mail upon (i) the United State Trustee (the “U.S. Trustee”); (ii) counsel to the Committee; (iii) any holders of interests in the Subject Property, including interest holders in the applicable Debtor; (iv) counter-parties to the Leases; and (v) those persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy Rule 2002 (collectively, the “Notice Parties”).

PLEASE TAKE FURTHER NOTICE THAT any objection to the proposed sale, the Auction Procedures, or the assumption of the Leases or request for hearing (the “Objection”) must be served upon counsel for the Debtors and filed with the Court not more than twenty-one (21) calendar days after service of the Sale Notice unless the Sale Notice specifies a longer period or a shorter period is ordered by the Court (the “Objection Deadline”).

PLEASE TAKE FURTHER NOTICE THAT parties wishing to submit to an overbid for the Subject Property must do so in writing on or before the Objection Deadline by emailing it to Greg Gotthardt at greg.gotthardt@fticonsulting.com and Larissa Gotguelf at larissa.gotguelf@fticonsulting.com. Overbids must be accompanied by a good faith deposit of 10% of the proposed sale price. Overbids must be for at least \$146,000 over the sale price.

PLEASE TAKE FURTHER NOTICE THAT if a qualified overbid is received prior to the Objection Deadline, the Debtors shall provide notice of the Auction to all overbidders, any

⁶ This is the payoff amount as of September 15, 2025. The amount of the secured obligation will be updated once the Sale is approved and the closing date is set.

parties filing objections prior to the Objection Deadline, and the Notice Parties not less than seven (7) days prior to the scheduled Auction.

PLEASE TAKE FURTHER NOTICE THAT if the Objection Deadline passes without the filing of an Objection or submission of a qualified overbid or any such response is withdrawn, the Debtors shall file a Certificate of No Objection and the Debtors shall submit a proposed order substantially in the form attached to the Sale Notice as Exhibit 1 (the “Large Asset Sale Order”). The Debtors may proceed with closing the Sale of the Subject Property upon entry of the Large Asset Sale Order.

PLEASE TAKE FURTHER NOTICE THAT if an Objection is filed or a qualified overbid is submitted prior to the Objection Deadline and not withdrawn, the Debtors will set a Sale Hearing giving no less than seven (7) days’ notice to (i) the Buyer; (ii) any party that filed an Objection or submitted a qualified overbid; (iii) and the Notice Parties.

PLEASE TAKE FURTHER NOTICE THAT to the extent that any counterparty to a Lease fails to timely object to the Sale of the Subject Property or the assumption and assignment of its Lease to the Buyer, such counterparty is deemed to have consented to the assignment of its Lease to the Buyer.

PLEASE TAKE FURTHER NOTICE THAT the Sale pursuant to these Sale Procedures shall be free and clear of liens and encumbrances to the extent provided under the Bankruptcy Code, with any such liens or encumbrances of any kind or nature to attach to the net proceeds of the sale in the order of their priority, with the same validity, force and effect which they had immediately prior to Sale as against the Subject Property.

Dated: September 17, 2025

KELLER BENVENUTTI KIM LLP

By: /s/ Gabrielle L. Albert

Gabrielle L. Albert

Attorneys for the Debtors and Debtors in Possession

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Exhibit 1
(Proposed Sale Order)

KELLER BENVENUTTI KIM LLP
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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
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In re:

LEFEVER MATTSON, a California
corporation, *et al.*,¹

Debtors.

In re

KS MATTSON PARTNERS, LP,

Debtor.

Lead Case No. 24-10545 (CN)

(Jointly Administered)

Chapter 11

**[PROPOSED] ORDER APPROVING
ASSET SALE OF THE PROPERTY
LOCATED AT 4950, 4960, AND 4970
ALLISON PARKWAY, VACAVILLE,
CA 95688**

¹ The last four digits of LeFever Mattson's tax identification number are 7537. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>. The address for service on the Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621.

Upon submission of the Certificate of No Objection regarding the proposed sale (the “Sale”) of the property located at 4950, 4960, and 4970 Allison Parkway, Vacaville, California 95688 (the “Subject Property”) as contemplated by the Sale Procedures approved by the *Order Establishing Omnibus Procedures for Real Property Sales* [Dkt. No. 971] (the “Sale Procedures Order”),² filed by the above-captioned debtors and debtors in possession (the “Debtors”)³; the Court having reviewed the *Notice of Sale of Subject Property Located at 4950, 4960, and 4970 Allison Parkway, Vacaville, CA 95688* dated September 17, 2025 [Dkt. No. •] (the “Sale Notice”) and *Declaration of William C. Marks in Support of Adequate Assurance of Future Performance by Allison Parkway Partners LLC, a California Limited Liability Company, with Respect to the Assumption and Assignment of Executory Leases and/or Unexpired Contracts in Connection with the Sale of 4950, 4960, and 4970 Allison Parkway, Vacaville, CA 95688* [Dkt. No. •] (the “Buyer’s Declaration”); and the Court having found that (i) the Court has jurisdiction to consider the proposed sale pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the “Bankruptcy Local Rules”); (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) the Sale Notice was sufficient under the circumstances; and (v) all Notice Parties have been served with the Sale Notice; and after due deliberation the Court having determined that the relief requested in the Sale Notice is in the best interests of the Debtors, their estates, and their creditors; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The proposed Sale of the Subject Property located at 4950, 4960, and 4970 Allison Parkway, Vacaville, California 95688, APNs 0133-330-040, 0133-330-030, and 0133-330-020, owned by Debtor Windscape Apartments, LLC, to Allison Parkway Partners LLC, a California

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Sale Procedures Order.

³ Unless otherwise indicated, “Debtors” as used herein excludes KSMP.

1 limited liability company (the “Buyer”), pursuant to the terms of the purchase agreement and
2 assignment attached hereto as Exhibit A, is approved.

3 2. The Buyer’s offer was the highest and otherwise best offer for the Subject Property.

4 3. The Sale Notice and Buyer’s Declaration have been served on all Notice Parties.

5 4. Pursuant to the Sale Notice and section 363(f) of the Bankruptcy Code, the Sale
6 shall be free and clear of liens and encumbrances to the extent provided under the Bankruptcy
7 Code, with any such liens or encumbrances of any kind or nature, to the extent not paid pursuant
8 to paragraph 8 below, to attach to the net proceeds of the sale in the order of their priority, with
9 the same validity, force and effect which they had immediately prior to Sale as against the Subject
10 Property.

11 5. The Debtors are authorized to fully assume, perform under, consummate and
12 implement the sale agreement and all additional instruments and documents that may be
13 reasonably necessary or desirable to implement the Sale, including the purchase and sale
14 agreement and escrow instructions.

15 6. Pursuant to Bankruptcy Code section 365(a), the Debtors are authorized to assume
16 the Leases identified in the Sale Notice.

17 7. Pursuant to Bankruptcy Code section 365(f), the Debtors are authorized to assign
18 the Leases to the Buyer and, pursuant to Bankruptcy Code section 365(k), the Debtors shall be
19 relieved from any liability for any breach of the lease after such assignment, both effective upon
20 the closing of the Sale.

21 8. The Debtors, and any escrow agent upon the Debtors’ written instruction, shall pay
22 directly from escrow upon closing (i) all Closing Costs, including but not limited to, the real estate
23 commission of the Broker and FTI’s advisory and transaction fee in the indicated amounts, costs
24 of sale, and escrow costs, (ii) any outstanding property taxes, and (iii) any liens of any secured
25 creditor for which there are no objections pending at the time of closing.

26 9. This Order shall be effective immediately upon entry, and any stay of orders
27 provided for in Bankruptcy Rules 6004 or 6006 or any other provision of the Bankruptcy Code or
28 Bankruptcy Rules is expressly lifted. The Debtors are not subject to any stay in the

1 implementation, enforcement or realization of the relief granted in this Order, and may, in their
2 discretion and without further delay, take any action and perform any act authorized under this
3 Order.

4 10. Nothing contained in the Sale Notice or this Order is intended to be or shall be
5 construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of
6 the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or
7 validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action that may
8 exist against any creditor or interest holder; or (iv) an approval, assumption, adoption, or rejection
9 of any agreement, contract, lease, program, or policy, other than those identified in the Sale Notice,
10 between the Debtors and any third party under section 365 of the Bankruptcy Code.

11 11. The Debtors are hereby authorized to take such actions and to execute such
12 documents as may be necessary to implement the relief granted by this Order.

13 12. The Court retains exclusive jurisdiction with respect to all matters arising from or
14 related to the implementation, interpretation, and enforcement of this Order.

15 ** END OF ORDER **
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Exhibit A
(Purchase Agreement)

(Commercial – Large Asset)

**PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

WINDSCAPE APARTMENTS, LLC,
a Delaware limited liability company

as Seller

and

TURO PARTNERS, LLC,
a California limited liability company

as Buyer

Dated: 07/21/2025

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PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this “**Agreement**”) is made as of 07/21/2025 (the “**Effective Date**”), by and between **WINDSCAPE APARTMENTS, LLC**, a Delaware limited liability company (“**Seller**”), and **TURO PARTNERS, LLC**, a California limited liability company (“**Buyer**”).

RECITALS

A. Seller is the owner of certain real property located in the City of Vacaville, County of Solano, State of California, having a property address of 4950, 4960, 4970 Allison Parkway, as more particularly described in **Exhibit A** attached hereto, and any rights, privileges and appurtenances pertaining thereto (the “**Real Property**”) consisting of commercial property.

B. On or about August 6, 2024, Seller and certain affiliates of Seller (collectively, the “**Debtors**”) filed voluntary petitions for bankruptcy relief under Chapter 11 of the Bankruptcy Code, jointly administered under Case No. 24-10545 (the “**Bankruptcy Case**”) in the United States Bankruptcy Court for the Northern District of California, Santa Rosa Division (the “**Bankruptcy Court**”).

C. On March 5, 2025, the Bankruptcy Court entered the *Order Establishing Omnibus Procedures for Real Property Sales* Dkt. No. 971 (the “**Sale Procedures Order**”), a copy of which Buyer acknowledges it has received and had an opportunity to review in the Data Room and/or Due Diligence Items described in Section 4(b) below and at the website referred to on **Exhibit B**. Pursuant to the Sale Procedures Order, the Bankruptcy Court approved expedited procedures for the sale of Seller’s right, title and interest in the Real Property. The Sale Procedures Order controls the procedure for obtaining Bankruptcy Court approval of this sale pursuant to a sale order substantially in the form attached to the Sale Procedures Order as **Exhibit 1** to **Exhibit C** (the “**Sale Order**”). This is a “Large Asset Sale” under the terms of the Sale Procedures Order.

D. The Debtors believe that a sale of the Property (defined below) as provided herein is in the best interests of Seller, the Debtors and their creditors.

E. Buyer desires to purchase the Property from Seller, and Seller is willing and prepared to sell the Property to Buyer, subject to the entry of the Sale Order under Sections 363 and 365 of the Bankruptcy Code, as to which, at the applicable time, no stay pursuant to Bankruptcy Rules 7062 or 8005, or any other applicable rule or statutory provision, is in effect, and the terms and conditions set forth in this Agreement.

AGREEMENT

IN CONSIDERATION of the respective agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Seller and Buyer agree as follows:

1. Property Included In Sale. Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from Seller, subject to the terms and conditions set forth herein, Seller’s right, title and interest in the following as of the Closing (as defined in Section 6(b)):

(a) Real Property. The Real Property;

(b) Improvements. All improvements and fixtures located on the Real Property, excluding any fixtures owned by tenants or leased by Seller from third parties, but including the building(s) and any other

structures presently located on the Real Property, and all apparatus, equipment and appliances owned by Seller and used exclusively in connection with the ownership, use, operation or occupancy of the Real Property (collectively, the “**Improvements**”);

(c) Personal Property and Intangible Property. All right, title and interest of Seller in and to any Personal Property (as defined in Exhibit D (Bill of Sale) attached hereto), if any, and any Intangible Property (as defined in Exhibit E (Assignment of Leases, Contracts and Intangible Property) attached hereto), other than the Excluded Assets (as defined below).

(d) Contracts. All rights under any Contracts (as defined in Section 4(d) to be assigned by Seller and assumed by Buyer at Closing as Designated Contracts (as defined in Section 4(d)) pursuant to Section 4(d) below (the “**Assumed Contracts**”).

(e) Leases. All right, title, and interest of Seller in and to any leases, licenses, and other occupancy agreements between Seller and any tenant or occupant of the Property (the “**Leases**”) to be assigned by Seller and assumed by Buyer at Closing as Designated Contracts pursuant to Section 4(d) below (the “**Assumed Leases**”).

All of the items referred to in this Section 1 above are hereinafter collectively referred to as the “**Property**.” Notwithstanding anything to the contrary set forth herein, the “**Property**” shall not include the following assets of Seller as of the Closing (collectively, the “**Excluded Assets**”): all cash, cash equivalents (including certificates of deposit), deposits held by third parties (e.g., utility companies), accounts receivable and any right to a refund or other payment relating to a period prior to the Closing, including any real estate tax refund (subject to the prorations hereinafter set forth), bank accounts, claims or other rights against any present or prior partner, member, employee, agent, manager, officer or director of Seller or its direct or indirect partners, members, shareholders or affiliates, any refund in connection with termination of Seller’s existing insurance policies, all contracts between Seller and any law firm, accounting firm, property manager, leasing agent, broker, environmental consultants and other consultants and appraisers entered into prior to the Closing, any proprietary or confidential materials (including any materials relating to the background or financial condition of a present or prior direct or indirect partner or member of Seller), the internal books and records of Seller relating, for example, to contributions and distributions prior to the Closing, any software, and any derivations thereof, and any trademarks, trade names, brand marks, brand names, trade dress or logos relating thereto, any development bonds, letters of credit or other collateral held by or posted with any governmental entity or other third party with respect to any improvement, subdivision or development obligations concerning the Property or any other real property, and any other intangible property that is not used exclusively in connection with the Property or is required to be excluded pursuant to the Sale Order. As used herein, “**Transaction**” shall mean the transaction contemplated by this Agreement.

2. Purchase Price. The purchase price for the Property is Seven Million Four Hundred Twenty-Five Thousand No/100 Dollars (\$7,425,000.00) (the “**Purchase Price**”). The Purchase Price shall be paid as follows:

(a) Deposit. Within one (1) Business Day (defined in Section 13(h)) after the Effective Date, Buyer shall deposit in escrow with Commonwealth Land Title Insurance Company (the “**Title Company**”) with an address of 99 Almaden Boulevard, Suite 840, San Jose, California 95113; Attention: Kiley Demaree (phone (408) 712-2176 and email kiley.demaree@cltic.com) (“**Escrow Holder**”), a deposit in the amount of One Hundred Thousand and No/100 Dollars (\$100,000.00), together with any interest accrued thereon while in escrow, shall collectively be defined herein as the “**Deposit**”. If Buyer elects to proceed with the purchase of the Property, the Deposit shall thereafter be fully non-refundable, subject to the terms and conditions of this Agreement. All sums constituting the Deposit shall be held by Escrow Holder in accordance with Exhibit J attached hereto. If the sale of the Property as contemplated hereunder is consummated, the Deposit shall be credited against the Purchase Price. In the event the Closing does not occur because of the failure of any condition benefiting Buyer or any other reason except a default under this Agreement on the part of Buyer, the Deposit shall promptly be returned to Buyer.

(b) Balance of Purchase Price. No later than one (1) Business Day prior to the Scheduled Closing Date (as defined in Section 6(b)), Buyer shall (i) deposit into escrow with Escrow Holder, in immediately available funds, an amount equal to the balance of the Purchase Price, as adjusted for prorations and credits pursuant to Section 6 or as otherwise provided under this Agreement (the “**Cash Balance**”), and (ii) authorize and direct Escrow Holder to simultaneously pay the Deposit into such escrow. At the Closing, the Cash Balance, less closing costs and prorations due from Seller as provided in this Agreement, shall be paid to Seller by Escrow Holder by wire transfer in immediately available funds for immediate credit to Seller on or before 1:00 p.m. (prevailing Pacific time) on the Closing Date (as defined in Section 6(b)) in such manner, place and account as Seller may instruct by prior notice to Escrow Holder. In the event this Agreement shall be terminated, any interest earned on the Deposit shall accrue to the benefit of the party entitled to receive the Deposit.

(c) Independent Consideration. The Deposit being delivered by Buyer includes the amount of One Hundred and No/100 Dollars (\$100.00) as independent consideration for Seller’s performance under this Agreement (“**Independent Consideration**”), which shall be retained by Seller in all instances. If the Closing occurs or if this Agreement is terminated for any reason, then Escrow Holder shall first disburse to Seller from the Deposit, the Independent Consideration. The Independent Consideration shall be nonrefundable under all circumstances and shall not be applied to the Purchase Price at Closing. The Independent Consideration, plus Buyer’s agreement to pay the costs provided in this Agreement, has been bargained for as consideration for Seller’s execution and delivery of this Agreement and for Buyer’s review, inspection and termination rights during the Due Diligence Period, and such consideration is adequate for all purposes under any applicable law or judicial decision.

3. Title to the Real Property.

(a) Title Policy. At the Closing, Seller shall convey to Buyer fee simple title to the Real Property and the Improvements, by duly executed and acknowledged grant deed in the form attached hereto as Exhibit C (the “**Deed**”). Evidence of delivery of fee simple title shall be the issuance by the Title Company of a CLTA Owner’s Policy of Title Insurance, in the full amount of the Purchase Price, insuring fee simple title to the Real Property in Buyer, subject to the following: (i) the Title Company’s standard printed exceptions; (ii) rights of tenants in possession under the Leases; (iii) zoning ordinances and regulations and other Laws (as defined in Section 7(a)(i)) governing use or enjoyment of the Property; (iv) such other exceptions listed in the Title Report (as defined in Section 4(a)(i)) and approved or deemed approved by Buyer pursuant to Section 4(a) below; (v) matters affecting title created by the acts or omissions of or with the consent of Buyer or any officers, directors, employees, agents, contractors, consultants, representatives and attorneys of Buyer or any direct or indirect owner of any beneficial interest in Buyer, but only if the same conduct due diligence or are otherwise involved in the Transaction (collectively, “**Buyer’s Representatives**”); (vi) liens to secure taxes and assessments not yet due and payable; (vii) matters that would be revealed by a current survey or physical inspection of the Property; (viii) any matters which Buyer is deemed to know (as defined in Section 7(c)(i)) about prior to the Closing Date unless Seller has agreed to remove the same pursuant to Section 4(a)(ii)(B); and (ix) any exception that the Title Company agrees to affirmatively insure over in accordance with the terms hereof. All such exceptions listed in clauses (i) through (ix) of this Section 3(a) are defined herein as the “**Permitted Exceptions**,” and the title policy described in this Section 3 is defined herein as the “**Title Policy**”. Notwithstanding the foregoing, Permitted Exceptions shall not include (1) any liens evidencing monetary encumbrances (other than liens for non-delinquent real estate taxes) created as a result of any mortgage, deed of trust or other financing instrument securing indebtedness of Seller, or (2) title matters created by Seller in violation of the terms of this Agreement (collectively, “**Excluded Exceptions**”). Notwithstanding any provision to the contrary contained in this Agreement or any of the Closing Documents (as defined in Section 6), any or all of the Permitted Exceptions may be omitted by Seller in the Deed without giving rise to any liability of Seller, irrespective of any covenant or warranty of Seller that may be contained or implied in the Deed (which provisions shall survive the Closing and not be merged therein).

(b) Optional Extended Coverage Policy. At Buyer’s option, Buyer may elect to obtain an ALTA Owner’s Policy of Title Insurance (any such extended policy, the “**Extended Title Policy**”) and

endorsements to the Title Policy, provided that issuance of the Extended Title Policy or any endorsements to the Title Policy shall not be a condition precedent to Buyer's obligation to purchase the Property and in no event shall Seller be obligated to provide any indemnity, title affidavit or other document in order to issue the Title Policy.

(c) No General Title Warranty. Nothing in this Agreement or in the Deed from Seller to Buyer recorded at the Closing shall be construed as a warranty or representation by Seller concerning Seller's title to the Property, and Seller makes no such warranty or representation. Buyer is relying solely upon the Title Report and the Title Policy and Buyer's own investigations respecting Seller's title to the Property.

4. Due Diligence Inspection. Buyer's obligation to purchase the Property is conditioned upon Buyer's review and approval of the Property as follows:

(a) Title and Survey Review.

(i) Title Report and Survey. Within two (2) Business Days following the Effective Date, Buyer shall request from the Title Company a current preliminary title report on the Real Property, together with copies of the documents constituting exceptions to title as set forth in Schedule B of the preliminary title report (collectively, the "**Title Report**"). Seller shall not be required to obtain a survey, or any update, recertification, or revision to any existing survey of the Real Property and Improvements. At Buyer's option and sole cost, Buyer may obtain a survey of the Real Property and Improvements (a "**Survey**").

(ii) Title Review Procedure.

(A) Title Objection Period. Buyer shall advise Seller, not later than fifteen (15) days after the Effective Date (the "**Title Objection Period**"), what exceptions to title, if any, will be accepted by Buyer. Buyer's failure to notify Seller of any objections to title exceptions shall, upon expiration of the Title Objection Period, constitute Buyer's approval of the Title Report and all exceptions and of the condition of title to the Property, and of all matters revealed by any Updated Survey (the "**Survey-Related Exceptions**").

(B) Seller's Response. Seller shall have five (5) Business Days after receipt of Buyer's objections to title matters ("**Seller's Response Period**") to give Buyer notice: (x) that Seller will endeavor to remove such objectionable exceptions from title and provide Buyer with evidence satisfactory to Buyer of such removal, or endeavor to provide Buyer with evidence satisfactory to Buyer that said exceptions will be removed on or before the Closing; or (y) that Seller elects not to endeavor to cause such exceptions to be removed. Seller may remove monetary lien exceptions, at Seller's sole option and cost, by bonding around or providing an indemnity with respect to any such matters to Title Company's reasonable satisfaction, or by causing Title Company to endorse over any such objection, and in any such event such objection shall be deemed cured or removed. If Seller either notifies Buyer pursuant to the preceding clause (y) that it will not endeavor to cause each of the objectionable exceptions to be removed from title, or does not notify Buyer of its election within the Seller Response Period, Seller shall be deemed to have elected not to endeavor to cause such matters to be removed pursuant to clause (y).

(C) Buyer's Termination Option. If Seller gives Buyer notice under clause (y) of Section 4(a)(ii)(B), Buyer shall have until the later of two (2) Business Days after Seller's Response Period and the end of the Due Diligence Period to elect to proceed with the purchase and take the Property subject to such exceptions, or to terminate this Agreement in accordance with Section 4(e). If Buyer fails to give Seller notice of its election prior to the date specified in the preceding sentence, Buyer shall be deemed to have approved the condition of title to the Property, including without limitation any Survey-Related Exceptions. If Seller gives notice pursuant to clause (x) of Section 4(a)(ii)(B) and fails to remove any such objectionable exceptions that Seller has endeavored to remove from title prior to the Closing Date,

and Buyer is unwilling to take title subject thereto, Buyer, as its sole and exclusive remedy, may elect to terminate this Agreement by written notice to Seller and Escrow Holder within two (2) Business Days after Seller's failure to so remove such title objection(s) (but, in any event, prior to the Scheduled Closing Date). Failure of Buyer to respond in writing within such period shall be deemed an election by Buyer to waive such title objections and proceed to Closing. If Buyer elects to terminate this Agreement pursuant to this Section 4(a), the Deposit shall be returned to Buyer, and neither party shall have any further liability or obligations hereunder, except for any obligations hereunder that expressly state they will survive termination of this Agreement. Seller shall be entitled to an extension of the Closing Date (not to exceed thirty (30) days in the aggregate) for the purpose of the removal of any exceptions to title that Seller has agreed to endeavor to remove hereunder.

(D) Title Update or Supplement. If any supplemental title report or update issued subsequent to the date of the original Title Report discloses any material, adverse matter not set forth in the original Title Report and that does not constitute a Permitted Exception, then, no later than the later of (i) the expiration of the Title Objection Period, or (ii) three (3) Business Days after Buyer's receipt of such updated Title Report, Buyer shall have the right to object to any such matter, in which event the same procedures for response, termination and waiver set forth in Section 4(a)(ii)(C) shall apply to such new objections, with Closing and all other dates set forth for performance of the parties' obligations hereunder adjusted accordingly; provided, however, if such objection is made after the expiration of the Due Diligence Period, Buyer's failure to object to any such matter in accordance with this Section 4(a)(ii)(D) shall be deemed an election by Buyer to waive such title matter and proceed to Closing.

(b) Due Diligence Review. Buyer's obligation to purchase the Property is conditioned upon Buyer's review and approval, prior to the expiration of the Due Diligence Period and in Buyer's sole discretion, of all matters pertaining to the physical, structural, electrical, mechanical, soil, drainage, environmental, economic, tenancy, zoning, land use and other governmental compliance matters and conditions respecting the Property, including without limitation the Due Diligence Items (as defined below) and the evaluation of any Designated Contracts (as defined below), all as provided in this Section 4. During the Due Diligence Period, Seller shall provide or make the Due Diligence Items available to Buyer (including through an on-line data website (the "**Data Room**"). All references herein to the "**Due Diligence Period**" shall refer to the period which ends at 5:00 p.m. Pacific Time on the date that is thirty (30) days following the Effective Date. All references herein to the "**Due Diligence Contingency**" shall refer to the conditions benefiting Buyer that are described in Section 4(a) and this Section 4(b). Buyer expressly agrees that Seller is furnishing copies of the Due Diligence Items to Buyer for informational purposes only and without representation or warranty as to the accuracy or completeness of the contents of such materials. As used herein "**Due Diligence Items**" shall mean all documents, materials, data, analyses, reports, studies and other information pertaining to or concerning the Property or the purchase of the Property, to the extent the same have been delivered to or made available for review by Buyer or any Buyer's Representatives, including (i) all documents, materials, data, analyses, reports, studies and other information made available to Buyer or any Buyer's Representatives for review prior to the expiration of the Due Diligence Period through the Data Room, (ii) all information disclosed in the real estate records of the applicable jurisdiction in which the Property is located, and (iii) any Contracts identified on Exhibit F and any Leases with tenants identified on Exhibit G. Buyer agrees that the Due Diligence Items are not intended as a substitute for Buyer's own investigation of the Property. Buyer acknowledges and agrees that Seller shall have no obligation to prepare any reports or studies pertaining to the Property. Buyer shall rely on its own investigation of the Property in determining whether to proceed with the purchase of the Property. Notwithstanding any other provision of this Agreement, the Due Diligence Items shall not include and Buyer shall not have the right to inspect or make copies of any documents in Seller's possession or request that Seller obtain documents involving Seller's acquisition of the Property, any appraisals, internal budgets or projections, any prospective purchasers other than Buyer, Seller's existing mortgage loans, or any other information or documentation reasonably determined by Seller to be confidential or privileged or any Excluded Assets.

(c) Inspections; Access. During the Due Diligence Period, Seller shall provide Buyer with reasonable access to the Property and the Due Diligence Items in accordance with the terms and conditions of this Section 4(c) in order for Buyer to investigate, at its sole cost and expense, the Property and the physical conditions thereof, including without limitation such environmental, engineering and economic feasibility inspections as Buyer may elect. Buyer shall pay for all inspections and tests ordered by or on behalf of Buyer. Such access, investigation, and inspections shall be exercised on the following terms and conditions:

(i) In connection with any entry by Buyer or any Buyer's Representatives onto the Property, Buyer shall give Seller reasonable advance notice (of not less than three (3) Business Days) of such entry and shall conduct such entry and any inspections in connection therewith so as to minimize, to the greatest extent possible, interference with Seller's business at the Property, any tenant or occupant of the Property or the business of any owner or occupant of any adjacent property. No invasive testing of any type or nature shall be permitted on or about the Property. Seller or its representative may, at Seller's option, be present to observe any inspection performed on the Property. Buyer shall repair any damage to the Property caused by Buyer's entry and restore the Property to substantially the same condition prior to such entry, at Buyer's sole cost and expense. The foregoing covenant shall survive any termination of this Agreement.

(ii) Buyer shall maintain, and shall assure that its contractors maintain, prior to such time as any Buyer's Representatives enter the Property, policies of commercial general liability insurance (occurrence form) which insure Buyer's Representatives with liability insurance limits of not less than \$2,000,000 per occurrence and \$2,000,000 in the aggregate for personal injury and property damage, and name Seller, Seller's property manager, and such other parties designated by Seller as additional insureds. Buyer shall provide Seller with certificates of insurance reasonably satisfactory to Seller evidencing that Buyer has obtained the aforementioned policies of insurance and named the aforesaid parties as additional insureds thereunder.

(iii) Buyer shall indemnify, defend and hold Seller and the Seller's Parties (as defined in Section 10(b)) harmless from and against any and all costs, damages, liabilities, losses, expenses, liens or claims (including, without limitation, reasonable attorneys' and experts' fees but excluding special, consequential, punitive or indirect damages, unless the same are asserted against any Seller Party by a third party and actually incurred, and excluding diminution in value) resulting from any entry on the Property by Buyer or any Buyer's Representative in the course of performing the inspections, tests or inquiries provided for in this Agreement, or resulting from any conditions on the Property created by Buyer's or any Buyer's Representatives' entry, investigation, inspection or testing; provided, however, the foregoing obligations to indemnify, defend and hold Seller and the Seller's Parties harmless shall not extend to any costs, damages, liabilities, losses, expenses, liens or claims to the extent arising out of (a) any diminution in value in the Property arising from or relating to pre-existing physical or environmental conditions on, in, under or about the Property merely discovered during the Buyer's investigations of the Property conducted in accordance with this Agreement, (c) the mere discovery of pre-existing physical or environmental conditions on, in, under or about the Property, or (d) any government action which results from such discovery. The foregoing indemnity shall survive beyond the Closing, or, if the sale is not consummated, beyond the termination of this Agreement.

(iv) In the event of a failure to consummate the sale of the Property, at Seller's request Buyer shall promptly deliver to Seller copies of any reports relating to any testing or other inspection of the Property performed by or on behalf of Buyer or any Buyer's Representatives. The foregoing covenant shall survive any termination of this Agreement. Any discussions or interviews with any third party (including, without limitation, representatives of any governmental entity and/or any tenants of the Property) and/or any of their respective personnel, shall be conducted only with Seller's prior consent and, at Seller's election, in the presence of Seller or its designated representative.

(d) Contracts and Leases.

(i) Contracts and Leases. The Due Diligence Items shall include copies of (i) certain equipment leases, service contracts, maintenance contracts, and certain other contracts and agreements currently in effect, relating to the ownership, operation and maintenance of the Property, as listed on Exhibit F attached hereto, as well as those hereafter entered into in accordance with this Agreement (collectively, the “**Contracts**”), other than the Excluded Assets and the Excluded Contracts (as defined below), and (ii) Leases with the tenants listed on Exhibit G. As used herein, “**Excluded Contracts**” shall mean Contracts to which Seller or its affiliate is a party and relating to the Property for (i) insurance; (ii) any property management; (iii) the engagement of attorneys, accountants, brokers, surveyors, title companies, environmental consultants, engineers or appraisers; (iv) any other Contracts entered into after the Effective Date that Seller shall cause to be terminated at or prior to the Closing; and (v) any Non-Assignable Contracts (as defined in Section 4(d)(iv) below). The Excluded Contracts are not being assigned to or assumed by Buyer hereunder. If Buyer elects to acquire the Property, subject to the Sale Order, Buyer shall assume the Designated Contracts (as defined below), which shall be assigned to, and assumed by, Buyer at the Closing, all as set forth in more detail in this Section 4(d) below.

(ii) Buyer Designated Contracts. On or before the expiration of the Due Diligence Period (the “**Contract Designation Date**”), Buyer shall designate in writing the Contracts and Leases it chooses to assume and have Seller assign to Buyer (the “**Designated Contracts**”). The Designated Contracts shall be identified by Buyer, with Seller’s cooperation, in a chart (the “**Designated Contract Chart**”) specifying (A) the name and date of the Designated Contract, (B) the other party(ies) to the Designated Contract and the address of each other party for notice purposes on the Sale Notice (as such is defined in Section 4(d)(ii)(B)(1)), (C) the amounts necessary to cure any defaults of Seller under each of the Designated Contracts (“**Cure Costs**”) as determined by Seller and agreed by Buyer based on Seller’s books and records prior to the Contract Designation Date, and (D) any necessary procedures for transferring to Buyer the rights to any security deposits with the other party to any Designated Contract (including, without limitation, through proration under Section 6(e) below). At the Closing, all Designated Contracts shall become Assumed Contracts or Assumed Leases, as the case may be, for purposes of this Agreement, except to the extent any of the same becomes a Non-Assignable Contract under Section 4(d)(iv) below. Notwithstanding the foregoing, the Designated Contracts shall not include the Excluded Contracts and the same shall not be assigned to or assumed by Buyer at the Closing.

(iii) Sale Order Approval. The Sale Order shall provide that, as of the Closing, Seller shall (i) assume the Assumed Contracts and the Assumed Leases in the Bankruptcy Case and (ii) assign the Assumed Contracts and the Assumed Leases to Buyer.

(iv) Third Party Approvals. If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, or Bankruptcy Court approval, an approval (“**Third Party Approval**”) for a Designated Contract is required but not obtained, whether due to an objection of a tenant or counterparty to such Lease or Contract under Paragraph 7(c) of the Sale Procedures Order or otherwise (such Lease or Contract being a “**Nonassignable Contract**”), Seller may elect in writing to use commercially reasonable efforts prior to the Closing to obtain all Third Party Approvals that are required for Seller to assign to Buyer such Nonassignable Contract; provided, however, in no event shall Seller be required by the foregoing to pay any sums (or incur any other liability) to the other parties to said Contracts in connection therewith, nor shall Seller’s failure to obtain a Third Party Approval be a breach or default hereunder. In the event that Seller does not elect to obtain a Third Party Approval, or Seller so elects and the same is not obtained prior to the Closing, such Contract or Lease shall be an Excluded Contract hereunder, and Buyer shall have the rights and remedies under Section 5(c) with respect to such Nonassignable Contract as a failure of the condition therefor specified in Section 5(a)(vi). Notwithstanding the foregoing, Seller shall be entitled to an extension of the Closing Date (not to exceed thirty (30) days in the aggregate) for the purpose of obtaining any Third Party Approval.

(v) Cure Costs. With respect to Cure Costs for each Assumed Contract and each Assumed Lease:

(A) Buyer Assurances. Buyer shall promptly take all commercially reasonable actions required to assist in obtaining a Bankruptcy Court finding that all defaults have been or will be cured and

Buyer has provided adequate assurance of future performance under the Assumed Contracts and Assumed Leases, by furnishing a declaration in the form of **Exhibit K** (or such other form as may be agreed between Buyer and Seller), non-confidential financial information or other documents or information for filing with the Bankruptcy Court and making the employees and representatives of Buyer available to testify before the Bankruptcy Court.

(B) Cure Cost Increase. If Cure Costs specified in the Designated Contract Chart are increased to a higher amount by the Bankruptcy Court after the Contract Designation Date and prior to the Closing, Buyer shall have the rights and remedies under Section 5(c) relating to such increased Cure Costs as a failure of the condition set forth in Section 5(a)(vii); provided, however, that, Seller shall have the right, in its sole discretion, to pay the difference between the Cure Costs and such higher amount at or before Closing, and such payment shall eliminate such condition failure under Section 5(a)(vii) and any such Buyer right or remedy under Section 5(c).

(vi) Estoppel Certificates. Within three (3) Business Days after the Effective Date Buyer shall prepare Estoppels (as defined below) for all tenants of the Property and deliver them to Seller for its approval (not to be unreasonably withheld, conditioned or delayed), and Seller shall use commercially reasonable efforts to deliver them to the tenants no later than two (2) Business Days thereafter; provided, however, that, to the extent Buyer does not prepare such Estoppels and deliver the same to Seller within three (3) Business Days, such failure shall be deemed a waiver of any delivery of such Estoppel to such respective tenant. Seller agrees to use commercially reasonable efforts to obtain for Buyer a duly executed tenant estoppel certificate from tenants occupying no less than seventy-five percent (75%) of the square footage area leased in the Improvements under the Leases (the “**Minimum Estoppel Threshold**”) during the Due Diligence Period. Each of the respective estoppel certificates shall be duly executed by such tenant either (i) to the extent a form tenant estoppel is attached or included in any way to the Lease entered into by such tenant, then on such form attached to the Lease or (ii) if there is no form attached to such Lease, then, substantially in the form attached hereto as **Exhibit M** (either (i) or (ii) of this Section 4(d)(vi)), as the case may be, the “**Estoppel**”). In the event Seller cannot for any reason obtain fully executed estoppel certificates sufficient to satisfy the Minimum Estoppel Threshold on or before two (2) Business Days prior to the end of the Due Diligence Period, the same shall not constitute a default by Seller, but the same shall result in the Due Diligence Period being extended for a period not to exceed five (5) Business Days solely for the purpose of obtaining the executed Estoppels to be approved by Buyer sufficient to satisfy the Minimum Estoppel Threshold, and Buyer shall otherwise waive due diligence review for any other purpose under Section 4(e) below.

(e) Approval of Condition of the Property. Buyer shall promptly commence, and diligently and in good faith pursue, its due diligence review hereunder. If, prior to the expiration of the Due Diligence Period, based upon such review, examination or inspection, Buyer determines in its sole and absolute discretion that it no longer intends to acquire the Property, then Buyer shall promptly notify Seller of such determination in writing (a “**Disapproval Notice**”), whereupon this Agreement, and the obligations of the parties under this Agreement, shall terminate and Escrow Holder shall promptly return the Deposit to Buyer and any escrow cancellation fees shall be paid by Buyer. If, prior to the expiration of the Due Diligence Period, Buyer determines in its sole and absolute discretion that it intends to acquire the Property, then Buyer shall notify Seller of such determination in writing together with the Designated Contract Chart (an “**Approval Notice**”), in which event Buyer shall be deemed to have waived its rights to terminate this Agreement in accordance with this Section 4(e). If Buyer fails to deliver an Approval Notice or a Disapproval Notice to Seller on or before the expiration of the Due Diligence Period, then Buyer shall be deemed to have delivered a Disapproval Notice.

(f) Satisfaction of Due Diligence Contingency. If the Due Diligence Contingency is not satisfied or deemed satisfied by or before the end of the Due Diligence Period, Seller will not be deemed to be in default and Buyer's sole remedy will be to terminate this Agreement and obtain the refund of the Deposit in accordance with Section 4(e), and neither party shall have any further obligation to or rights against the other except for any obligations set forth in this Agreement that expressly survive such termination as provided in this Agreement.

5. Conditions to Closing.

(a) Buyer's Conditions. In addition to the conditions set forth in Section 4, the following are conditions precedent to Buyer's obligation to purchase the Property:

(i) Accuracy of Seller's Representations and Warranties. Subject to Section 7(c), all of Seller's Warranties shall be true and correct in all material respects as of the Closing Date.

(ii) No Seller Breach. There shall be no material breach of Seller's covenants and obligations set forth in this Agreement.

(iii) Seller's Deliveries. Seller shall have delivered the items described in Section 6(c) to Buyer or to Escrow Holder, as applicable.

(iv) Title Insurance. As of the Closing, the Title Company will issue or have committed to issue the Title Policy to Buyer, subject to the Permitted Exceptions.

(v) Sale Order. The Bankruptcy Court shall have entered the Sale Order authorizing the sale of the Property to Buyer, and the Sale Order shall not be subject to a stay pending appeal.

(vi) Nonassignable Contracts. All Third Party Approvals requested by Buyer for a Designated Contract are obtained under Section 4(d)(iv) prior to the Closing.

(vii) Cure Costs Adjustment. Cure Costs specified by Buyer in the Designated Contract Chart under Section 4(d)(v)(B) are not increased to a higher amount by the Bankruptcy Court after the delivery of Buyer's Approval Notice and prior to the Closing and the same is not cured by Seller as contemplated in Section 4(d)(v)(B).

The Closing pursuant to this Agreement shall be deemed a waiver by Buyer of all unfulfilled conditions hereunder benefiting Buyer.

(b) Seller's Conditions. The following are conditions precedent to Seller's obligation to sell the Property to Buyer:

(i) Accuracy of Buyer's Representations and Warranties. All of Buyer's representations and warranties contained in or made pursuant to this Agreement shall be true and correct in all material respects as of the Closing Date.

(ii) No Buyer Breach. There shall be no material breach of Buyer's covenants and obligations set forth in this Agreement.

(iii) Buyer's Deliveries. Buyer shall have delivered the items described in Section 6(d) to Seller or to Escrow Holder.

(iv) Sale Order. The Bankruptcy Court shall have entered the Sale Order authorizing the sale of the Property to Buyer, and the Sale Order shall not be subject to a stay pending appeal.

(v) Buyer Cooperation with Bankruptcy Sale Procedures. Buyer shall have cooperated with Seller as contemplated hereunder and in a timely manner with respect to the Sale Notice, the Sale Order and any other requirements of the Sale Procedures Order.

The Closing pursuant to this Agreement shall be deemed a waiver by Seller of all unfulfilled conditions in this Section hereunder benefiting Seller.

(c) Waiver of Conditions. At any time on or before the date specified for the satisfaction of any condition, Seller or Buyer may elect in writing to waive the benefit of any such condition to its obligations hereunder, with the exception of the entry of the Sale Order which may not be waived. In the event any of the conditions set forth in this Section 5 are neither waived nor fulfilled, the party for whose benefit the applicable condition exists may terminate this Agreement (subject to any notice and cure rights set forth elsewhere in this Agreement) and, if due to a breach by the other party, exercise such rights and remedies, if any, that such party may have pursuant to the terms of Section 12. If this Agreement is terminated as a result of the failure of any condition set forth in this Section 5 that is not also a default by Buyer hereunder, then the Deposit shall be returned to Buyer and, thereafter, neither party shall have any further rights or obligations hereunder except for obligations which expressly survive termination of this Agreement.

(d) Bankruptcy Matters; Sale Order.

(i) Sale Order. Seller and Buyer acknowledge that this Agreement and the Transaction are subject to Bankruptcy Court approval pursuant to the Sale Order. Seller and Buyer acknowledge that (i) to obtain such approval, Seller must demonstrate that it has taken reasonable steps to obtain the highest or otherwise best offer possible for the Property, including giving notice of the Transaction to interested persons as required by the Sale Procedures Order and following such other procedures as may be required by the Sale Procedures Order including, without limitation, the Overbid and Auction Procedures attached hereto as Exhibit L (the “**Overbid and Auction Procedures**”), and (ii) Buyer shall provide for the payment of or reservation for all Cure Costs, a cure of all defaults and for adequate assurance of future performance with respect to the Assumed Contracts and Assumed Leases as contemplated under Section 4(d)(v). If required by Title Company to issue the Title Policy insuring fee simple title in the name of Buyer, the Sale Order shall be recorded in the real property records of the County where the Real Property is located at Closing, immediately prior to the recordation of the Deed.

(ii) Notice Prescribed by the Sale Procedures Order.

(A) [Intentionally Deleted]

(B) Sale Notice.

(1) Promptly following Buyer’s delivery of its Approval Notice and completion of any other applicable procedures in the Sale Procedures Order, Seller shall file with Bankruptcy Court and serve on the parties designed therein (the “**Sale Notice Parties**”) the notice of this Transaction substantially in the form attached to the Sale Procedures Order as Exhibit C (the “**Sale Notice**”) attaching copies of (i) the proposed Sale Order; (ii) this Agreement; and (iii) such other procedures as may be required pursuant to the Sale Procedures Order including, without limitation, the Overbid and Auction Procedures, and setting the deadline to object to the Sale Notice which shall be no less than twenty-one (21) days following filing and service thereof as set out in the Sale Procedures Order (the “**Sale Notice Objection Deadline**”).

(2) Buyer shall cooperate with Seller by providing all reasonably necessary information and assurance needed to complete the Sale Notice in a timely manner.

(3) Buyer shall timely cooperate, proceed with and complete such other notices and procedures as may be reasonably required by the Sale Procedures Order.

6. Closing and Escrow.

(a) Escrow Instructions. Upon execution of this Agreement, the parties hereto shall deposit an executed counterpart of this Agreement with Escrow Holder and this instrument, including the provisions contained in **Exhibit J** attached hereto, shall serve as the instructions to Escrow Holder for consummation of the purchase and sale contemplated hereby. Seller and Buyer agree to execute such additional and supplementary escrow instructions as may be appropriate to enable Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement shall control.

(b) Closing. The closing of the Transaction pursuant to this Agreement (the “**Closing**”) shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of Escrow Holder on the date that is the earlier of (i) five (5) Business Days after the entry of a Sale Order by the Bankruptcy Court, or (ii) if an objection is filed to the Sale in accordance with the Sale Procedures Order, twenty (20) days after the entry of a Sale Order by the Bankruptcy Court, but in no event (in the case of either subclause (i) or (ii)) later than one hundred twenty (120) days following the Effective Date, (the “**Scheduled Closing Date**”), but in all events at least thirty (30) days following expiration of the Due Diligence Period; provided further that Seller shall be entitled to an extension of the Closing Date (not to exceed thirty (30) days in the aggregate) for the purpose of obtaining the Sale Order. Such date may not be extended without the prior written approval of both Seller and Buyer, except as otherwise expressly provided in this Agreement. The “**Closing Date**” shall mean the day that the Transaction closes, which shall not be later than the Scheduled Closing Date, as the same may be extended pursuant to the express terms of this Agreement. The parties shall conduct the Closing through the Escrow Holder so that it will not be necessary for any party to attend Closing. Provided all conditions precedent to Seller’s obligations hereunder have been satisfied, Seller agrees to convey the Property to Buyer upon confirmation of receipt by Escrow Holder of the Purchase Price and any other amounts payable by Buyer to Seller as set forth herein. Provided all conditions precedent to Buyer’s obligations hereunder have been satisfied or waived by Buyer, Buyer agrees to pay the Purchase Price and all other amounts payable by Buyer at Closing in accordance with Section 2(b). In addition, for each full or partial day after 1:00 p.m. Pacific Time on the Scheduled Closing Date that Buyer fails to comply with the foregoing, then, at Seller’s election (and in addition to any rights that Seller may have pursuant to Section 12(c)), the prorations between the parties shall be calculated as of the next Business Day. The items to be delivered by Seller or Buyer in accordance with the terms of Section 6(c) or Section 6(d) shall be delivered to Escrow Holder no later than 5:00 p.m. Pacific Time on the last Business Day prior to the Scheduled Closing Date, except that (i) the Post-Closing Delivery Items (as defined in Section 6(c)) shall be delivered by Seller in the manner set forth below, and (ii) the Purchase Price shall be delivered by Buyer in accordance with the terms of Section 2(b).

(c) Seller's Deliveries. At or before the Closing, Seller shall deliver the following to Escrow Holder:

- (i) a duly executed and acknowledged Deed conveying to Buyer the Real Property;
- (ii) a duly executed Bill of Sale covering the Personal Property, in the form attached hereto as **Exhibit D**;
- (iii) two (2) duly executed counterparts of the Assignment of Leases. Contracts and Intangible Property, in the form attached hereto as **Exhibit E**;
- (iv) unless Buyer and Seller elect to deliver the same outside of escrow, a form of notice to tenants at the Property duly executed by Seller, in the form attached hereto as **Exhibit H**;
- (v) an affidavit pursuant to Section 1445(b)(2) of the Federal Code that Seller (or its affiliate, as applicable) is not a “foreign person” within the meaning of Section 1445(f)(3) of the Federal Code and a properly executed California Franchise Tax Board Form 593;

and (vi) a closing statement prepared by Escrow Holder and approved in writing by Seller;

(vii) authorizations or other documents establishing Seller's authority in connection with the Transaction (which the parties acknowledge has been or will be established through the Sale Procedures Order and the satisfaction of the Sale Order condition set out in Section 5(a)(v) and Section 5(b)(iv).

In addition to the foregoing, to the extent they are then in the possession of Seller (or its agents or employees) and have not theretofore been delivered or made available to Buyer, Seller shall deliver to Buyer at or promptly after the Closing any keys and other access control devices for the Property in Seller's possession (collectively, the "**Post-Closing Delivery Items**"). All Post-Closing Delivery Items described in this paragraph may be either delivered at Closing or left at the Property.

(d) Buyer Deliveries. At or before the Closing, Buyer shall deliver the following to Escrow Holder:

(i) cash or other immediately available funds in the amount of the Purchase Price, as adjusted for apportionments and other adjustments required under this Agreement, together with any other amounts required to be paid by Buyer at Closing pursuant to this Agreement;

(ii) a cash deposit for payment of Cure Costs, if any, to be prorated under Section 6(e)(vi) and Section 6(i) below;

(iii) two (2) duly executed counterparts of the Assignment of Leases, Contracts, and Intangible Property, in the form attached hereto as Exhibit E;

(iv) a duly executed preliminary change of ownership report;

(v) such resolutions, authorizations, bylaws or other corporate and/or partnership documents or agreements relating to Buyer as shall be reasonably required by the Title Company in connection with this Transaction;

and (vi) a closing statement prepared by Escrow Holder and approved in writing by Buyer;

(vii) any other documents, instruments, or sales tax filings reasonably required by Escrow Holder to close the escrow and consummate the Transaction in accordance with the terms hereof.

The documents executed and delivered by Seller or Buyer as required by Section 6(c) and Section 6(d) or as otherwise executed and delivered by Seller or Buyer as part of the Closing are collectively referred to herein as the "**Closing Documents**".

(e) Prorations.

(i) General Prorations. For purposes of this Agreement, "**Rents**" shall mean all rents, additional rents and other revenues, including reimbursements for CAM Charges (defined below), escalation payments, percentage rent payments, parking charges, and all other charges due to the landlord under the Leases with respect to the Property. Rents actually collected (whether such collection occurs prior to, on, or after the Closing), real property taxes and assessments, water, sewer and utility charges, amounts payable under the Contracts, annual permits and/or inspection fees (calculated on the basis of the period covered), and other expenses normal to the operation and maintenance of the Property, shall be prorated as of 12:01 a.m. on the Closing Date on

the basis of a 365-day year; provided, however, (A) to the extent the tenant is paying any expenses (including, without limitation, CAM Charges, real property taxes and assessments and/or utility charges) otherwise subject to proration pursuant to this subsection directly to the applicable governmental entity, utility or services provider, or other third party, no proration of such expenses shall be made at Closing, and (B) to the extent that the tenant is responsible for payment of 100% of any category of expenses otherwise subject to proration in the form of operating expense reimbursements to the landlord under its Lease, no proration of such expenses shall be made at Closing, subject, however, to Section 6(e)(ii) below. Buyer hereby agrees that if any of the aforesaid prorations described in this Section 6(e)(i) cannot be calculated accurately on the Closing Date, then the same shall be calculated within sixty (60) days after Closing, and either party owing the other party a sum of money based on such subsequent proration(s) shall promptly pay said sum to the other party.

(ii) CAM Charges. For all items subject to proration for which the landlord receives reimbursement from any tenants under Leases as common area maintenance charges, including without limitation charges for taxes and insurance (collectively “**CAM Charges**”), it is acknowledged that Seller (as landlord) has prepaid certain CAM Charges and already received payment on account of certain other estimated CAM Charges for the period prior to Closing, and Buyer will receive similar payments after the Closing. Neither Buyer nor Seller shall be paid more than once for any CAM Charges, nor for CAM Charges paid or to be paid by the other party hereunder. Consistent with the foregoing, Buyer and Seller shall prorate such items in such a way that Seller shall be responsible for the payment of all costs and expenses that are intended to be reimbursed by such CAM Charges for the period prior to Closing and for collection of all estimated expense reimbursements payable by tenants prior to Closing, and Buyer shall be responsible for payment of all such costs and expenses on and after Closing and for collection of all estimated expense reimbursements payable by tenants on and after the Closing. All expenses and CAM Charges will be prorated at Closing and again within sixty (60) days after the end of the calendar year in which Closing occurs, and upon such proration being calculated by Seller and agreed upon by Buyer, (A) Seller will pay to Buyer any excess of expense reimbursement received from tenants over actual expenses incurred and paid by Seller, or (B) Buyer will pay to Seller any shortfall in expense reimbursements received by Seller from tenants compared to actual expenses incurred and paid by Seller. Either party owing the other party a sum of money based on such proration shall promptly pay said sum to the other party. With respect to any CAM Charges first coming due after Closing (including, without limitation, pursuant to a year-end reconciliation of actual costs against estimates payable by tenants during the lease year in which Closing occurs), Buyer agrees to bill the same when billable and to cooperate with Seller to determine the correct amounts due for the period of time prior to Closing, and Seller agrees to cooperate with Buyer and provide information as needed with respect to same for a period of six (6) months after Closing.

(iii) Delinquent Rents. Buyer shall use commercially reasonable efforts (without any obligation to commence legal action or evict any tenant but otherwise consistent with Buyer’s own efforts to collect Rents due after the Closing Date) to collect past due Rents (based on year-end reconciliation) as provided above relating to the period prior to the Closing Date from any tenants in occupancy of space within the Property as of the Closing Date. Seller reserves the right to pursue any damages remedy Seller may have against any tenant with respect to any delinquent Rents or lease defaults applicable to the period prior to the Closing Date but shall have no right to exercise any other remedy under the applicable Lease (including, without limitation, termination or eviction), and provided further that Buyer shall incur no cost, expense or liability in connection therewith. Any monies collected by Buyer or Seller from tenants who owe delinquent Rents as of the Closing Date shall be applied in the following order of priority: (A) first, to any unpaid Rent that has accrued for any month after the month of Closing; (B) second, to any Rent due for the month in which the Closing occurs; and (C) third, to Seller to the extent of any Rents that were delinquent as of the Closing Date. Buyer may not waive any delinquent Rents, nor modify a Lease so as to reduce any delinquent Rents that are owed under such Lease, for any period in which Seller is entitled to receive such charges or amounts, without first obtaining Seller’s prior written consent.

(iv) Tax Assessments and Tax Refunds. Any and all installments currently due on assessments or bonds encumbering the Property shall be prorated between Buyer and Seller as of the Closing Date;

provided, however, Buyer shall assume all future obligations on any such assessments or bonds. In the event that, as of the Closing Date, the actual tax bills for the tax year or years in question are not available and the amount of tax to be prorated as aforesaid cannot be ascertained, then rates, millages and assessed valuation of the previous year, with known changes, shall be used; and after the Closing occurs and when the actual amount of taxes of the year or years in question shall be determinable, such taxes will be re-prorated between the parties to reflect the actual amount of such taxes. Seller retains the right to pursue and control any tax appeals applicable to periods prior to the tax year of the Closing, and Buyer shall cooperate with Seller with respect to such appeals at no material cost or expense to Buyer. If any reduction in real estate taxes or assessments affecting the Real Property shall be granted for the tax year in which the Closing occurs, Seller shall be entitled to receive its pro rata share of such reduction that accrued prior to the Closing Date, in the form of a refund from the taxing authority or payment from Buyer, upon Buyer's receipt of a refund, or credit against current taxes or assessments, attributable to any such reduction. To the extent Buyer receives any such refund or credit, Buyer shall remit to Seller the amount of such refund or credit that is due Seller within five (5) Business Days of receipt thereof. Any refund of real property taxes or special assessments relating to the period prior to Closing shall be for the account of Seller.

(v) Cash Security Deposits. At Closing, Seller shall give Buyer a credit against the Purchase Price in the aggregate amount of the remaining balance of any refundable cash security deposits then held by Seller under the Leases. Following the Closing, Buyer shall be responsible for the refund of all security deposits, subject to the terms and conditions of the applicable Leases.

(vi) Cure Costs. Cure Costs shall be paid by Buyer as provided in Section 6(i) below.

The provisions of this Section 6(e) shall survive Closing and not be merged therein.

(f) Closing Costs and Adjustments. Seller shall pay (X) all transfer taxes applicable to the transfer of the Real Property in the county where the Real Property is located to Buyer, (Y) all recording and filing charges in connection with the instruments by which Seller conveys the Property to Buyer; and (Z) all sales taxes and similar charges, if any, applicable to the transfer of the Personal Property to Buyer. Buyer shall pay the following closing costs: (A) the premium for the Title Policy, including premiums for any extended coverage policy of title insurance and the cost of any endorsements to Buyer's title policy; (B) all inspection and survey costs; (C) all escrow or closing charges; (D) all fees due its attorneys (including fees for representation in the Bankruptcy Case) and all costs of Buyer's due diligence, including fees and costs due its consultants; and (E) its lenders' fees, mortgage taxes, and similar charges, if any, related to any financing obtained by Buyer with respect to the Property. Seller and Buyer shall pay their respective shares of prorations as hereinafter provided. Except as otherwise expressly provided in this Agreement, each party shall pay the fees of its own brokers (except as may be provided in Section 13(b)), attorneys, accountants, consultants, and other professionals. Recording fees and all other costs and charges of the escrow for the Transaction that are not specified above shall be paid in the manner customary for the county in which the Property is located or, if there is no custom, shall be split equally between Buyer and Seller.

(g) Utilities. Buyer shall arrange with such services and companies to have accounts opened in Buyer's name beginning at 12:01 a.m. on the Closing Date. Seller shall be entitled to recover any and all deposits with respect to the Property held by any utility company as of the Closing Date. To the extent Buyer fails to provide replacement deposits to any utility company such that Seller has not recovered its deposit at Closing, or if any such deposits are assignable and Seller elects to assign them to Buyer, the amount of such deposits shall be credited to Seller at Closing and the Purchase Price shall be adjusted accordingly.

(h) Leasing Costs. With respect to any new Lease or Lease modification entered into by Seller between the Effective Date (the "**Commencement Date**") and the Closing Date, and with respect to any renewal, extension, or expansion of any Lease, whether through the exercise of an option or otherwise, occurring between such date and the Closing Date, all Leasing Costs (as defined below) shall be paid by Buyer. At Closing, Buyer

shall reimburse Seller for all such Leasing Costs incurred by Seller. Pursuant to the Assignment of Leases, Contracts and Intangible Property, Buyer shall assume any then-outstanding obligations with respect to such Leasing Costs and such obligations shall survive the Closing. At Closing, Seller shall give Buyer a credit for any unpaid Leasing Costs owed to or for the benefit of tenants of the Property or to any broker for any period prior to the Commencement Date with respect to the Leases in effect as of the Commencement Date, but only to the extent such Leasing Costs are unpaid or unused as of the Closing and would be payable by Buyer from and after the Closing. For purposes hereof, the term “**Leasing Costs**” shall mean any leasing commissions, finder’s fees or similar payments, and any out-of-pocket payments required under a Lease to be paid by the landlord thereunder to or for the benefit of the tenant thereunder that is in the nature of a tenant inducement, including specifically, without limitation, tenant improvement costs, lease buyout costs, and moving, design, refurbishment, club membership allowances, legal fees or other expenses, or grants of any other concessions. Leasing Costs shall not include loss of income resulting from any free rental period, it being agreed that Seller shall bear the loss resulting from any free rental or abated rental period until the date of Closing and Buyer shall bear such loss from and after the date of Closing.

(i) Assignment of Contracts and Leases; Payment of Cure Costs.

(A) At Closing, to the extent not previously paid, Buyer shall pay or cause to be paid (and shall reimburse or cause to be reimbursed to Sellers on an after-tax basis any amounts paid after the date hereof in respect of) any and all cash amounts that, pursuant to section 365 of the Bankruptcy Code, will be required to satisfy or reserve for Cure Costs under the Designated Contracts as a prerequisite to the assumption of such Designated Contracts under section 365 of the Bankruptcy Code. The amount of such proration payable by Buyer and credited to Seller shall be reflected on the Seller’s and Buyer’s closing statements under Section 6(c)(vi) and Section 6(d)(vi) below.

(B) Nothing in this Agreement, including without limitation this Section 6(i) and Section 4(d) above, shall be construed as an attempt by Seller to assign any Contract or Lease to the extent that such Contract or Lease is not assignable under the Bankruptcy Code or otherwise without the consent of the other party or parties thereto, and the consent of such other party has not been given or received, as applicable.

(j) Possession. Possession of the Property shall be delivered to Buyer on the Closing Date, subject to the rights of tenants in possession and the Permitted Exceptions.

7. Representations and Warranties.

(a) Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer that, as of the Effective Date and, subject to Section 7(c) below, as of the Closing:

(i) Seller’s Authorization. Seller (A) is duly organized (or formed), validly existing, and in good standing under the Laws of its State of organization and, to the extent required by applicable Laws, the State in which the Real Property is located, and (B) subject to Bankruptcy Court approval, is authorized to execute this Agreement and consummate the Transaction and fulfill all of its obligations hereunder and under all Closing Documents to be executed by Seller and such instruments, obligations, and actions are valid and legally binding upon Seller, enforceable in accordance with their respective terms. The execution and delivery of this Agreement and all Closing Documents to be executed by Seller and the performance of the obligations of Seller hereunder or thereunder will not (x) result in the violation of any all municipal, county, State or Federal statutes, codes, ordinances, laws, rules or regulations (collectively, “**Laws**”) or any provision of Seller’s organizational documents, (y) conflict with any order of any court or governmental instrumentality binding upon Seller, or (z) conflict or be inconsistent with, or result in any default under, any contract, agreement, or commitment to which Seller is bound.

(b) Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller that as of the date of this Agreement and as of the Closing:

(i) Buyer's Authorization. Buyer (A) if Buyer is not an individual, is duly organized (or formed), validly existing, and in good standing under the Laws of its State of organization and, to the extent required by applicable Laws, the State in which the Real Property is located, and (B) is authorized to execute this Agreement and consummate the Transaction and fulfill all of its obligations hereunder and under all Closing Documents to be executed by Buyer, and such instruments, obligations, and actions are valid and legally binding upon Buyer, enforceable in accordance with their respective terms. The execution and delivery of this Agreement and all Closing Documents to be executed by Buyer and the performance of the obligations of Buyer hereunder or thereunder will not (x) result in the violation of any Laws or any provision of Buyer's organizational documents, (y) conflict with any order of any court or governmental instrumentality binding upon Buyer, or (z) conflict or be inconsistent with, or result in any default under, any contract, agreement or commitment to which Buyer is bound.

(ii) Buyer's Financial Condition. No petition has been filed by or against Buyer under the Bankruptcy Code or any similar Laws.

Buyer's representations and warranties set forth in this Section 7(b) shall survive the Closing and not be merged therein.

(c) Continuation and Survival.

(i) Seller's Warranties Deemed Modified. To the extent that Buyer is deemed to know prior to the Closing Date that any Seller's Warranties are inaccurate, untrue, or incorrect in any way, such Seller's Warranties shall be deemed modified to reflect Buyer's deemed knowledge. As used in this Agreement, "**deemed to know**" (or words of similar import) shall have the following meaning: Buyer and the Buyer's Representatives shall be "deemed to know" any fact, circumstance or information, or shall have "**deemed knowledge**" of the same, to the extent (A) any Buyer's Representative has actual knowledge of a particular fact, circumstance or information that is inconsistent with any Seller's Warranty (as defined in Section 7(c)(ii)), or (B) this Agreement, the Closing Documents executed by Seller, the documents and materials with respect to the Property delivered or made available to any Buyer's Representative in connection with the Transaction, or any reports prepared or obtained by any Buyer's Representatives in connection with Buyer's due diligence discloses a particular fact or circumstance or contains information which is inconsistent with any Seller's Warranties. For purposes of this Agreement, documents and materials shall be deemed to have been "made available" to Buyer's Representatives only if the same are located at a designated physical location or in an online due diligence website.

(ii) Breach of Warranties Prior to Closing. If after the expiration of the Due Diligence Period but prior to the Closing, either Buyer or Seller obtains actual knowledge that any of the representations or warranties made herein are untrue, inaccurate, or incorrect in any material respect, such party shall give the other party written notice thereof within five (5) Business Days of obtaining such knowledge (but, in any event, prior to the Closing). In the event of any breach of any of Seller's representations and warranties set forth in Section 7(a) or in any document executed by Seller at Closing (individually, a "**Seller's Warranty**" and collectively, "**Seller's Warranties**"), Seller shall have the right to cure such misrepresentation or breach and shall be entitled to a reasonable extension of the Scheduled Closing Date (not to exceed thirty (30) days) for purposes of such cure and, failing such cure, Buyer shall be entitled to any rights and remedies under Section 12 below. The untruth, inaccuracy, or incorrectness of Seller's Warranties shall be deemed material for all purposes of this Agreement only if Buyer's aggregate damages resulting from the untruth, inaccuracy, or incorrectness of Seller's Warranties are reasonably estimated to exceed one percent (1%) of the Purchase Price. If any of Seller's Warranties are untrue, inaccurate, or incorrect but are not, in the aggregate, untrue, inaccurate, or incorrect in any material respect as set forth herein, Buyer shall be deemed to waive such misrepresentation or breach of warranty, and Buyer shall be required to consummate the Transaction without any reduction of, or credit against, the Purchase Price.

(iii) No Survival of Seller's Warranties; Limitation on Seller's Liability. Seller's Warranties shall not survive the Closing, and shall be subject to the limitation on Seller's liability set forth in Section

12(b) below. Notwithstanding the foregoing, if the Closing occurs, Buyer hereby expressly waives, relinquishes, and releases any rights or remedies available to it at law, in equity, under this Agreement, or otherwise, including any claim against Seller for damages that Buyer may incur as the result of any of Seller's Warranties being untrue, inaccurate, or incorrect.

(iv) Survival. The provisions of this Section 7(c) shall survive the Closing (and not be merged therein) or any earlier termination of this Agreement.

8. Seller's Covenants. Between the Seller's execution of this Agreement and the Closing:

(a) New Leases. After the Effective Date, Seller shall not enter into any new Leases or extend, renew, modify or terminate any existing Leases for which the landlord's consent is required, without the prior written consent of Buyer, which Buyer shall not unreasonably withhold, condition, or delay prior to the expiration of the Due Diligence period, and thereafter such consent of Buyer shall be in Buyer's sole and absolute discretion. Buyer shall respond to any request for approval within three (3) Business Days after receipt of Seller's request. If Buyer fails to notify Seller in writing of Buyer's objections within three (3) Business Days of Buyer's receipt of the proposed modification, termination, or new lease terms (and a request for Buyer's approval thereof), then Buyer shall be deemed to have disapproved the same. Notwithstanding the foregoing terms of this Section, if (i) any Lease requires that the landlord's consent be given under the applicable circumstances (or not be unreasonably withheld, conditioned, or delayed), then Buyer shall be held to the same standard of approval, or (ii) the Bankruptcy Court or other authority requires Seller to enter into a new Lease or extend, renew, modify or terminate any existing Leases, then Seller may enter into the same without Buyer's approval, provided further that Seller shall give written notice of the same to Buyer, and Buyer shall have a right, as its sole remedy, to terminate the Agreement if it is dissatisfied with such Lease and receive a refund of the Deposit. Seller shall have the right, but not the obligation, to enforce the rights and remedies of the landlord under any Lease in a manner consistent with its past practices, including without limitation applying all or any portion of any security deposits then held by Seller toward any loss or damage incurred by Seller by reason of any defaults by tenants, and the exercise of any such rights or remedies shall not affect the obligations of Buyer under this Agreement or entitle Buyer to a reduction in, or credit or allowance against, the Purchase Price or give rise to any other claim on the part of Buyer. The provisions of this Section 8(a) shall not limit the obligations of Seller and Buyer to follow the Sale Procedures Order and any process set forth therein for Leases, or any rights or obligations of Buyer and Seller set forth in this Agreement.

(b) Contracts. After the expiration of the Due Diligence Period, Seller shall not enter into, materially modify or terminate any Contracts or other similar arrangements pertaining to the Property that would be binding on the Buyer or Property after Closing, without obtaining the prior written consent of Buyer, which Buyer shall not unreasonably withhold, condition, or delay. Buyer shall respond to any request for approval within three (3) Business Days after receipt of Seller's request. If Buyer fails to notify Seller in writing of Buyer's objections within three (3) Business Days of Buyer's receipt of the proposed modification, termination, or new Contract terms (and a request for Buyer's approval thereof), then Buyer shall be deemed to have disapproved the same. Notwithstanding the foregoing, if the Bankruptcy Court or other authority requires Seller to enter into a new Contract or materially modify or terminate any Contracts, then Seller may enter into the same without Buyer's approval, provided further that Seller shall give written notice of the same to Buyer, and Buyer shall have a right, as its sole remedy, to terminate the Agreement if it is dissatisfied with such Contract and receive a refund of the Deposit. The provisions of this Section 8(b) shall not limit the obligations of Seller and Buyer to follow the Sale Procedures Order and any process set forth therein for Contracts, or any rights and obligations of Buyer and Seller set forth in this Agreement.

(c) Maintenance of Property. Between the Effective Date and the Closing, Seller shall maintain the Property in reasonable order, condition and repair consistent with past practice before the making of this Agreement, reasonable wear and tear excepted, shall make commercially reasonable repairs, maintenance and replacements to the Property consistent with its past operating practices, as if Seller were retaining the Property.

9. California Disclosures.

(a) Natural Hazard Disclosure. Buyer acknowledges that Seller has not delivered any report (“**Natural Hazards Disclosure Statement**”) disclosing whether or not the Property is located in any of those areas identified as natural hazards in the Natural Hazard Disclosure Act, California Government Code Sections 8589.3, 8589.4, and 51183.5, and California Public Resources Code Sections 2621.9, 2694, and 4136, and any successor statutes or laws (collectively, “**Natural Hazard Areas**”). Buyer acknowledges that (i) Seller did not prepare the Natural Hazards Disclosure Statement as Seller is exempt from any such disclosure under the Law of California due to the Bankruptcy Case; (ii) any of the Natural Hazard Areas may limit Buyer's ability to make changes to the Property, to obtain insurance or financing, or to receive assistance after a disaster; (iii) nothing contained in the Laws governing the Natural Hazard Areas will release Buyer from its obligation to investigate the condition of the Property to the extent desired by Buyer in its sole discretion, including whether the Property is located in any Natural Hazard Areas; and (iv) the Natural Hazard Area may change on or prior to the Closing and that Seller will have no obligation to inform Buyer regarding the same.

(b) California Health and Safety Code Section 78700. Section 78700 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. Buyer (i) acknowledges Buyer's receipt of the foregoing notice given pursuant to Section 78700 of the California Health and Safety Code; (ii) will be, prior to the expiration of the Due Diligence Period, fully aware of the matters described in any environmental reports included in the Due Diligence Items (if any); and (ii) after receiving advice of Buyer's legal counsel, waives any and all rights Buyer may have to assert that Seller has not complied with the requirements of Section 78700 of the California Health and Safety Code. The agreements set forth in this Section 9 will survive the Closing and will not merge into the Deed.

10. Buyer's Review and Seller's Disclaimer.

(a) Independent Investigation. Buyer represents and acknowledges that Buyer is a sophisticated investor and owner who is familiar with the ownership and operation of real estate projects similar to the Property and Buyer has been given, or will be given before the end of the Due Diligence Period, a full opportunity to inspect and investigate each and every aspect of the Property, either independently or through agents of Buyer's choosing, including, without limitation:

(i) all matters relating to title, together with all governmental and other legal requirements such as taxes, assessments, zoning, use permit requirements, and building codes;

(ii) the physical condition and all aspects of the Property, including, without limitation, the interior, the exterior, the square footage within the improvements on the Property and within each tenant space therein, the structure, the paving, the utilities, and all other physical and functional aspects of the Property, including, without limitation, an examination for the presence or absence of Hazardous Substances, which shall be performed or arranged by Buyer at Buyer's sole expense;

(iii) any easements and/or access rights affecting the Property;

(iv) the Leases, Contracts, Personal Property, Intangible Property, and any other documents or agreements of material significance affecting the Property; and

(v) all other matters of material significance affecting the Property or delivered to Buyer by Seller in accordance with this Agreement, or which Buyer otherwise reasonably considers to be relevant to the acquisition of the Property, including, without limitation, the Sale Procedures Order.

(b) Buyer's Opportunity for Review. Prior to the expiration of the Due Diligence Period, Buyer will be given full opportunity to make a complete review and inspection of the Property, including, without limitation, any and all matters and information provided by Seller or obtained or obtainable by Buyer (regardless of whether Buyer in fact obtains and/or reviews such information) relating to the physical, legal, economic, and environmental condition of the Property. Buyer has conducted, and shall continue to conduct during the Due Diligence Period, or waive its right to conduct, such due diligence as Buyer has deemed or shall deem necessary or appropriate. Buyer acknowledges and agrees that the Property shall be sold, and Buyer shall accept possession of the Property as of the Closing, "AS IS, WHERE IS, WITH ALL FAULTS", with no right of setoff or reduction in the Purchase Price, except as expressly set forth to the contrary in this Agreement and the Closing Documents. Except for Seller's Warranties, none of the Seller's Parties (as defined below) shall be deemed to have made any verbal or written representations, warranties, promises or guarantees (whether express, implied, statutory or otherwise) to Buyer with respect to the Property, any matter set forth, contained or addressed in the materials delivered or made available to Buyer's Representatives, including, but not limited to, the accuracy and completeness thereof, or the results of Buyer's due diligence. Buyer shall independently confirm to its satisfaction all information that it considers material to its purchase of the Property or the Transaction. Buyer acknowledges that as an experienced, knowledgeable, and sophisticated investor and owner of real estate, Buyer has entered into this Agreement with the intention of making and relying upon its own investigation of the physical, environmental, economic, and legal condition of the Property and its value. The Due Diligence Items and other information obtained from Seller may include reports, projections and data prepared for Seller by third parties on which Buyer has no right to rely. Buyer has conducted (or will conduct) an independent evaluation of the matters addressed in such reports, and Seller has made no representation whatsoever as to the accuracy, completeness, or adequacy of any such reports. Buyer acknowledges and agrees that it has made its own assessment with respect to the matters so disclosed in deciding to purchase the Property pursuant hereto, and Seller is not making and has not made any warranty or representation of any kind, expressed or implied, including, without limitation, as to the truth, accuracy, or completeness of the Due Diligence Items related to such matters. As used in this Agreement, "**Seller's Parties**" shall mean and include, collectively, (1) Seller, (2) Seller's property manager for the Property, (3) ordinary course vendors who provide services for the Property or the Seller, (4) any direct or indirect owner of any beneficial interest in Seller, (5) any officer, director, employee, or agent of Seller (including Seller's broker for the Property), and (6) Seller's legal counsel, Seller's accountants and any other third party professional advisors of Seller approved by the Bankruptcy Court.

(c) "AS-IS, WHERE-IS AND WITH ALL FAULTS". SELLER DISCLOSES AND BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR SELLER'S WARRANTIES, SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND 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 (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, INCLUDING, WITHOUT LIMITATION, THE POSSIBILITIES FOR FUTURE DEVELOPMENT OF THE PROPERTY; (iv) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; (v) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY; (vi) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY; (vii) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (viii) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS INCORPORATED INTO THE PROPERTY; (ix) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING, WITHOUT LIMITATION, TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, THE CALIFORNIA HEALTH & SAFETY CODE, THE VISUAL ARTISTS RIGHTS ACT, THE FEDERAL WATER POLLUTION


CONTROL ACT, THE FEDERAL RESOURCE CONSERVATION AND RECOVERY ACT, THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40 C.F.R., PART 261, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED, THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, THE CLEAN WATER ACT, THE SAFE DRINKING WATER ACT, THE HAZARDOUS MATERIALS TRANSPORTATION ACT, THE TOXIC SUBSTANCE CONTROL ACT, AND REGULATIONS PROMULGATED UNDER ANY OF THE FOREGOING; (x) THE PRESENCE OR ABSENCE OF HAZARDOUS SUBSTANCES AT, ON, UNDER, OR ADJACENT TO THE PROPERTY; (xi) THE CONTENT, COMPLETENESS OR ACCURACY OF ANY MATERIALS PROVIDED TO BUYER; (xii) THE CONFORMITY OF THE PROPERTY TO ANY PLANS OR SPECIFICATIONS FOR THE PROPERTY, INCLUDING ANY PLANS AND SPECIFICATIONS THAT MAY HAVE BEEN OR MAY BE PROVIDED TO BUYER BY SELLER; (xiii) THE CONFORMITY OF THE PROPERTY TO PAST, CURRENT OR FUTURE APPLICABLE ZONING OR BUILDING REQUIREMENTS; (xiv) DEFICIENCY OF ANY UNDERSHORING; (xv) DEFICIENCY OF ANY DRAINAGE; (xvi) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE OR ON OR NEAR A FLOOD PLAIN; (xvii) THE EXISTENCE OF VESTED LAND USE, ZONING OR BUILDING ENTITLEMENTS AFFECTING THE PROPERTY; OR (xviii) ANY OTHER MATTER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY AND THE OPPORTUNITY TO TEST, ANALYZE, AND VERIFY ANY SUCH INFORMATION. BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION MADE AVAILABLE TO BUYER OR PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF SELLER WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT, EXCEPT FOR THE SELLER'S WARRANTIES, SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. BASED UPON BUYER'S FAMILIARITY WITH, AND DUE DILIGENCE RELATING TO, THE PROPERTY, AND PERTINENT KNOWLEDGE AS TO THE MARKET IN WHICH THE PROPERTY IS SITUATED, AND IN DIRECT CONSIDERATION OF SELLER'S DECISION TO SELL THE PROPERTY TO BUYER FOR THE PURCHASE PRICE, BUYER SHALL PURCHASE THE PROPERTY IN AN "AS IS, WHERE IS AND WITH ALL FAULTS" CONDITION ON THE CLOSING DATE AND ASSUMES FULLY THE RISK THAT ADVERSE LATENT OR PATENT PHYSICAL, ENVIRONMENTAL, ECONOMIC, OR LEGAL CONDITIONS MAY NOT HAVE BEEN REVEALED BY ITS INVESTIGATIONS, SUBJECT ONLY TO SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS AGREEMENT. SELLER AND BUYER ACKNOWLEDGE THAT THE COMPENSATION TO BE PAID TO SELLER FOR THE PROPERTY HAS TAKEN INTO ACCOUNT THAT THE PROPERTY IS BEING SOLD SUBJECT TO THE PROVISIONS OF THIS SECTION 10. IF BUYER IS DEEMED TO KNOW OF A BREACH OF ANY SELLER'S WARRANTY, OR ANY COVENANT HEREUNDER PRIOR TO CLOSING AND BUYER CLOSSES ESCROW, BUYER SHALL BE DEEMED TO WAIVE SUCH BREACH. THE CLOSING SHALL CONSTITUTE A REAFFIRMATION BY BUYER AND SELLER OF EACH OF THE PROVISIONS OF THIS SECTION 10 AND EACH OF THEM SHALL BE CONTINUING IN NATURE AND SHALL SURVIVE THE CLOSING AND NOT BE MERGED THEREIN.

(d) Release. Consistent with the foregoing, effective as of the Closing, Buyer, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges Seller, the Seller's Parties and Seller's successors and assigns (collectively, the "**Releasees**") from any and all rights, any cost, loss, liability, damage, fee, expense, demand, action or cause of action, injuries, lawsuits, proceedings, judgments or obligations of any kind or nature whatsoever, including any and all liabilities under applicable Laws (collectively, "**Claims**"), at law or in equity, whether known or unknown at the time of this Agreement, which Buyer has or may have in the future, arising out of the physical, environmental, economic, or legal condition of the Property, including, without limitation, all Claims in tort or contract and any claim for indemnification or contribution arising under the

Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601, *et. seq.*) or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters or any matters pertaining to Hazardous Substances and any Claims arising in connection with any latent or patent construction defects, errors or omissions, compliance with law matters, Hazardous Substances and other environmental matters within, under or upon, or in the vicinity of the Property, any statutory or common law right Buyer may have to receive disclosures from Seller, including any disclosures as to the Property's location within areas designated as subject to flooding, fire, seismic or earthquake risks by any federal, state or local entity, the need to obtain flood insurance, the certification of water heater bracing and/or the advisability of obtaining title insurance, or any other condition or circumstance affecting the Property, its financial viability, use or operation, or any portion thereof. As used herein, "**Hazardous Substances**" shall mean any substance or material that is described as a toxic or hazardous substance, waste or material or a pollutant or contaminant, or words of similar import, in any of the Environmental Laws, and includes asbestos, petroleum (including crude oil or any fraction thereof, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or any mixture thereof), petroleum-based products and petroleum additives and derived substances, lead-based paint, mold, fungi or bacterial matter, polychlorinated biphenyls, urea formaldehyde, radon gas, radioactive matter, medical waste, and chemicals that may cause cancer or reproductive toxicity. Without limiting the foregoing, Buyer, upon the Closing, shall be deemed to have waived, relinquished and released Seller and all other Releasees from and against any and all matters arising out of latent or patent defects or physical conditions, violations of applicable Laws, and any and all other acts, omissions, events, circumstances or matters affecting the Property, except for the Seller's Warranties and with respect to any covenant of Seller that expressly survives the Closing. For the foregoing purposes, Buyer hereby specifically waives the provisions of Section 1542 of the California Civil Code and any similar law of any other state, territory, or jurisdiction. Said Section 1542 provides:

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

BUYER HEREBY SPECIFICALLY ACKNOWLEDGES THAT BUYER HAS CAREFULLY REVIEWED THIS SUBSECTION AND DISCUSSED ITS IMPORT WITH LEGAL COUNSEL AND THAT THE PROVISIONS OF THIS SUBSECTION ARE A MATERIAL PART OF THIS AGREEMENT.

Buyer's Initials:  _____

(e) Survival. The terms of this Section 10 shall survive the Closing and not be merged therein.

11. Loss by Fire or Other Casualty; Condemnation.

(a) Right to Terminate. If, after the Effective Date, (i) any portion of the Real Property is taken by condemnation or eminent domain (or is the subject of a pending taking); or (ii) any portion of the Improvements is damaged or destroyed (excluding ordinary wear and tear and damage caused by any Buyer's Representative), Seller shall notify Buyer in writing of such fact promptly after obtaining knowledge thereof. If the Property is the subject of a Major Loss (as defined below) that occurs after the Effective Date, Buyer shall have the right to terminate this Agreement by giving written notice to the other party no later than ten (10) days after the giving of Seller's notice of the damage or destruction, and the Scheduled Closing Date shall be extended, if necessary, to provide sufficient time for Buyer to make such election. The failure by Buyer to terminate this Agreement within such ten (10) day period shall be deemed an election not to terminate this Agreement. If this Agreement is terminated pursuant to this Section 11(a), the Deposit shall be returned to Buyer and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of

this Agreement. For the purposes of this Agreement, a “**Major Loss**” shall mean any casualty, condemnation proceedings, or eminent domain proceedings if (i) the portion of the Real Property or Improvements that is the subject of such casualty or such condemnation or eminent domain proceedings has a value in excess of five percent (5%) of the Purchase Price, as reasonably determined by Seller and demonstrated by documentation delivered to Buyer showing the basis of Seller’s determination in reasonable detail, or (ii) any casualty is an uninsured casualty and Seller, in its sole and absolute discretion, does not elect to cause the damage to be repaired or restored or give Buyer a credit at Closing against the Purchase Price for the cost of such repair or restoration.

(b) Proceeds Allocation. If after the Effective Date any portion of the Real Property is taken by condemnation or eminent domain (or is the subject of a pending taking), or any portion of the Improvements is damaged or destroyed (excluding ordinary wear and tear and damage caused by any Buyer’s Representative) and this Agreement is not terminated as permitted pursuant to the terms of Section 11(a), then this Agreement shall remain in full force and effect and Buyer shall acquire the Property (except such portion thereof as has been taken by condemnation or eminent domain) upon the terms set forth herein. Any awards or proceeds received from the condemning authority or Seller’s insurance company, as the case may be (the “**Proceeds**”) shall be allocated between Buyer and Seller as follows: (i) Seller shall be entitled to be reimbursed from the Proceeds for (A) all costs, expenses and fees, including reasonable attorneys’ and experts’ fees, expenses and disbursements, incurred by Seller in connection with obtaining such Proceeds; (B) any rental loss, business interruption, or loss of use for which Proceeds are actually received and that are allocable to the period prior to the Closing Date; and (C) the reasonable and actual costs incurred by Seller in physically stabilizing the Property following a casualty; and (ii) Buyer shall be entitled to (A) the balance of the Proceeds after Seller is reimbursed in accordance with clause (i) above, which Seller shall pay to Buyer promptly upon Seller’s receipt thereof, and (B) a credit from Seller equal to Seller’s deductible with respect to a casualty, if the same is an insured casualty.

(c) Waivers. The provisions of this Section 11 supersede the provisions of any applicable Laws with respect to the subject matter of this Section 11 but shall be subject to any conflicting provisions contained in any loan agreement to which Seller is a party or by which the Property is bound. Seller shall have no obligation to repair or replace any damage or destruction except as required to safeguard the Property and protect the health and safety of occupants.

12. Defaults.

(a) Buyer’s Remedies for Seller Default. If Closing fails to occur solely as a result of a default by Seller in the performance of its material obligations under this Agreement and Seller fails to cure such material default within five (5) days after written notice thereof from Buyer (which written notice shall detail such default), then, upon notice by Buyer to Seller and Escrow Holder to that effect, Buyer shall elect, in Buyer’s sole discretion and as Buyer’s sole and exclusive remedy, either to (i) terminate this Agreement and recover the Deposit, or (ii) seek specific performance of Seller’s obligations hereunder, provided that no such action for specific performance shall seek to require Seller to do any of the following: (A) change the condition of the Property or restore the same after any casualty; (B) expend money or post a bond to remove a title encumbrance or defect (except for the deeds of trust and financing statements referenced in the Title Report) or correct any matter shown on a survey of the Property; or (C) secure any permit, approval or consent with respect to the Property or Seller’s conveyance of the Property. Any conveyance of the Property pursuant to any such action for specific performance shall be deemed a waiver by Buyer of any breach by Seller of its representations, warranties, or covenants under this Agreement of which Buyer has actual knowledge before commencing such action. Buyer shall be deemed to have elected to terminate this Agreement if Buyer fails to deliver to Seller written notice of its intent to assert a cause of action for specific performance within thirty (30) days following the Scheduled Closing Date or, having given such notice, fails to file a lawsuit asserting such cause of action in the proper court within sixty (60) days following the Scheduled Closing Date.

(b) Limitation on Seller's Liability. Notwithstanding anything to the contrary contained in this Agreement or the Closing Documents, and subject to any limitations on Seller's liability contained elsewhere in this Agreement, if the Closing occurs, (i) the maximum aggregate liability of Seller arising under this Agreement and the Closing Documents (including, without limitation, pursuant to or in connection with the representations, warranties, indemnifications, covenants or other obligations, whether expressed or implied, of Seller under this Agreement, any Closing Documents or any other document executed or delivered in connection herewith) and the maximum aggregate amount that may be awarded to and collected by Buyer in connection with the Transaction and/or the Property, under this Agreement, and/or under all Closing Documents, and any claims in connection with any of the foregoing (including, without limitation, in connection with the breach of any of Seller's Warranties for which a claim is timely made by Buyer) shall not exceed one percent (1%) of the Purchase Price ("**Liability Limitation**"), and (ii) no claim by Buyer alleging a breach by Seller of any representation, warranty, indemnification, covenant or other obligation of Seller contained herein or in any Closing Documents (including, without limitation, in connection with the breach of any Seller's Warranties for which a claim is timely made by Buyer) may be made, and Seller shall not be liable for any judgment in any action based upon any such claim, unless and until such claim, either alone or together with any other claim by Buyer for any such breach by Seller, is for an aggregate amount that is reasonably anticipated to be in excess of one half of one percent (0.5%) of the Purchase Price ("**Floor Amount**"), in which event Seller's liability for any final judgment concerning such claim or claims shall be for the entire amount thereof, subject to the Liability Limitation; provided, however, that if any such final judgment is for an amount that is less than or equal to the Floor Amount, then Seller shall have no liability with respect thereto. In no event shall Seller or Buyer be liable to the other party for any consequential or punitive damages based upon any breach of this Agreement, including breaches of any representation or warranty. In addition to the Liability Limitation, Buyer agrees that recourse for any liability of Seller under this Agreement or any document or instrument delivered simultaneously or in connection with or pursuant to this Agreement shall be limited solely to the Real Property and, following the Closing, to the extent of the Purchase Price (subject to the Liability Limitation). Subject to applicable principles of fraudulent conveyance, in no event shall Buyer seek satisfaction for any obligation from any partners, members, shareholders, officers, directors, employees, agents, legal representatives, trustees, beneficiaries, or successors or assigns of such trustees or beneficiaries, nor shall any such person or entity have any personal liability for any such obligations of Seller.

(c) Seller's Remedies for Buyer Defaults. If, (i) on the Scheduled Closing Date Buyer fails to deliver the balance of the Purchase Price and all other amounts payable by Buyer pursuant to this Agreement in accordance with Sections 2(b) and 6(b), or (ii) on or before the Scheduled Closing Date Buyer is in default of any of its other material obligations hereunder or any of Buyer's representations or warranties are, in the aggregate, untrue, inaccurate, or incorrect in any material respect, then Seller shall have the right to elect to (A) terminate this Agreement by written notice to Buyer, promptly after which the Deposit shall be paid to Seller as liquidated damages and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of this Agreement, or (B) waive the default or breach and proceed to close the Transaction.

THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES IN THE EVENT OF A FAILURE TO CONSUMMATE THIS SALE BECAUSE OF A BUYER DEFAULT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WOULD INCUR IN SUCH EVENT. THEREFORE, IF THE CLOSING FAILS TO OCCUR DUE TO THE DEFAULT OF BUYER AND SELLER DOES NOT WAIVE SUCH DEFAULT AS DESCRIBED ABOVE, THEN UPON THE WRITTEN DEMAND OF SELLER, THIS AGREEMENT AND THE ESCROW SHALL BE TERMINATED AND CANCELLED. IN SUCH EVENT, (A) ESCROW HOLDER SHALL RETURN ALL DOCUMENTS TO THE PARTIES WHO DEPOSITED SAME, (B) ALL TITLE AND ESCROW CANCELLATION CHARGES SHALL BE CHARGED TO BUYER, AND (C) SELLER SHALL RETAIN THE DEPOSIT AND ANY INTEREST ACCRUED

THEREON AS LIQUIDATED DAMAGES PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671 AND 1677, AND THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369 AND SELLER HEREBY WAIVES ALL OTHER CLAIMS FOR DAMAGES OR RELIEF AT LAW OR IN EQUITY (INCLUDING, WITHOUT LIMITATION, ANY RIGHTS TO SPECIFIC PERFORMANCE THAT SELLER MAY HAVE PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1680 OR 3389, OR OTHERWISE). NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, SELLER AND BUYER AGREE THAT THIS LIQUIDATED DAMAGES PROVISION IS NOT INTENDED AND SHOULD NOT BE DEEMED OR CONSTRUED TO LIMIT IN ANY WAY (1) SELLER'S RIGHT TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' AND EXPERTS' FEES NOR SELLER'S RIGHTS TO BUYER'S EXPRESS INDEMNITY OBLIGATIONS UNDER THIS AGREEMENT OR (2) COSTS INCURRED BY SELLER TO REPAIR ANY DAMAGE TO THE REAL PROPERTY THAT BUYER IS REQUIRED TO REPAIR PURSUANT TO SECTION 4(c)(i) OF THIS AGREEMENT. SELLER'S RIGHT TO RECEIVE THE DEPOSIT PURSUANT TO THIS SECTION 12(c) SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT. BY PLACING ITS INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS: Seller BS Buyer WM

(d) Indemnity Obligations; Survival. Notwithstanding any provision in this Agreement to the contrary, in no event shall the provisions of this Section 12 limit the rights of either party against the other party due to the other party's obligation to indemnify such party in accordance with this Agreement or the damages recoverable pursuant to such indemnification obligations. This Section 12 shall survive the Closing (and not be merged therein) or the earlier termination of this Agreement.

13. Miscellaneous.

(a) Notices. Any notices or other communications under this Agreement must be in writing and shall be deemed duly given or made at the time and on the date when received by e-mail transmittal of pdf (as defined in Section 13(m)) files or similar electronic means or when personally delivered as shown on a receipt therefor (which shall include delivery by a nationally recognized overnight delivery service) to the address for each party set forth on the "Parties and Contacts" page at the beginning of this Agreement. Attorneys for each party may give notices on behalf of the party that they represent. Any party, by written notice to the other in the manner herein provided, may designate an address different from that set forth in this Agreement.

If to Seller: LeFever Mattson
c/o Development Specialists, Inc.
333 S. Grand Avenue, Suite 4100
Los Angeles, CA 90071-1544
Attention: Bradley D. Sharp
Email: bsharp@dsiconsulting.com

with a copy to: SSL Law Firm LLP
1 Post Street, Suite 2100
San Francisco, California 94104
Attention: Sally Shekou
Email: sally@sslfirm.com

And to: Keller Benvenuti Kim LLP
101 Montgomery Street, Suite 1950
San Francisco, CA 94104
Attention: David Taylor & Gabrielle Albert
Email: dtaylor@kbklp.com & galbert@kbklp.com

If to Buyer: TURO PARTNERS, LLC
180 Sutter Street, Suite 400
San Francisco, CA 94104
Attention: William C. Marks
Email: wmarks@turo.com

with an email copy to: Rodriguez Wright LLP
Attention: Stephen Wright and Ashley Breakfield
Email: swright@rodriguezwright.com and abreakfield@rodriguezwright.com

If to Title Company or Escrow Holder, to the address in Section 2(a) above.

(b) Brokers. Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cause of the sale contemplated herein, except for Mark Mason of Marcus & Millichap (representing Seller) ("**Seller's Broker**") whose commission, if any is due, shall be the responsibility of Seller pursuant to a separate agreement. If any other broker or finder perfects a claim for a commission or finder's fee based upon any such contract, dealings or communication, the party through whom the broker or finder makes its claim shall be responsible for said commission or fee and all costs and expenses (including reasonable attorneys' fees) incurred by the other party in defending against such claim. The provisions of this Section 13(b) shall survive the Closing.

(c) Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and permitted assigns. Buyer may not assign its rights hereunder without the prior written consent of Seller, which may be given or withheld in Seller's sole discretion. Notwithstanding the foregoing, prior to the expiration of the Due Diligence Period, Buyer may assign this Agreement to any entity that is managed by Buyer without the consent of Seller. In the event Buyer intends to assign its rights hereunder, (i) Buyer shall send Seller written notice thereof on or prior to the end of the Due Diligence Period, which notice shall include the legal name and structure of the proposed assignee, together with an organizational chart and other supporting documentation and evidence of ownership with respect to the proposed assignee as Seller may require, as well as any other information that Seller may reasonably request, (ii) Buyer and the proposed assignee shall execute, and shall deliver to Seller a fully executed copy of, an assignment and assumption of this Agreement in form and substance satisfactory to Seller, and (iii) in no event shall any assignment of this Agreement release or discharge Buyer from any liability or obligation hereunder. Any transfer, directly or indirectly, of any stock, partnership interest, or other ownership interest in Buyer shall constitute an assignment of this Agreement. The provisions of this Section 13(c) shall survive the Closing or any termination of this Agreement.

(d) Amendments. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

(e) Choice of Law; Venue. This Agreement is to be governed by and construed in accordance with federal bankruptcy law, to the extent applicable, and where state law is implicated, the laws of the State of California shall govern (without regard to conflicts of law). The Bankruptcy Court shall retain exclusive jurisdiction to enforce the provisions of this Agreement. Each of the parties hereby accepts and consents to, generally and unconditionally, the jurisdiction of the Bankruptcy Court. Each of the Parties hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement brought in the Bankruptcy Court and hereby further irrevocably waives and agrees not to plead or claim in such court that any such action or proceeding brought in such court has been brought in an inconvenient forum. In the event that the Bankruptcy Court declines to exercise jurisdiction over this Agreement, venue shall be in the Superior Court of California, in the county where the Real Property is located. **TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAWS, SELLER AND BUYER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN THE EVENT OF ANY PROCEEDINGS.**

(f) Merger of Prior Agreements. This Agreement (including the exhibits hereto) constitutes the entire agreement between the parties with respect to the purchase and sale of the Property and supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

(g) Business Day. As used herein, the term “**Business Day**” shall mean a day that is not a Saturday, Sunday or legal holiday in the state where the Property is located. In the event that the date for the performance of any covenant or obligation under this Agreement, or delivery of any notice, shall fall on a non-Business Day, the date for performance thereof shall be extended to the next Business Day.

(h) Time of the Essence. Time is of the essence of this Agreement.

(i) Construction. This Agreement has been negotiated by the parties, who have had the opportunity to consult their respective counsel. This Agreement shall not be construed more strictly against one party hereto than against any other party hereto merely by virtue of the fact that it may have been prepared by counsel for one of the parties. The term “including” or “includes” or any other similar term or phrase of inclusion shall be deemed to be followed in each instance by the words “but not limited to,” so as to designate an example or examples of the described class and not to designate all members of that class (it being the intention of the parties that each hereby waives the benefits of Section 3534 of the California Civil Code).

(j) Headings; Exhibits. Headings at the beginning of any paragraph or section of this Agreement are solely for the convenience of the parties and are not a part of this Agreement or to be used in the interpretation hereof. All exhibits referred to herein are attached hereto and incorporated into this Agreement by such references.

(k) Waiver. No waiver by either party hereto of any failure or refusal by the other party to comply with its obligations hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply. The consent or approval by Buyer or Seller to or of any act by the other party requiring the consent or approval of the first party shall not be deemed to waive or render unnecessary such party's consent or approval to or of any subsequent similar acts by the other party.

(l) Severability. If any phrase, clause, sentence, paragraph, section, article, or other portion of this Agreement shall become illegal, null, void, or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null, void, or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law.

(m) Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute one agreement. This Agreement may be executed by a party's signature transmitted by electronic mail in portable document format (“pdf”), and copies of this Agreement executed and delivered by means of faxed or pdf signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. All parties hereto may rely upon pdf signatures as if such signatures were originals. Any party executing and delivering this Agreement by pdf shall promptly thereafter deliver a counterpart of this Agreement containing said party's original signature. All parties hereto agree that a pdf signature page may be introduced into evidence in any proceeding arising out of or related to this Agreement as if it were an original signature page.

(n) No Recordation. Seller and Buyer each agrees that neither this Agreement nor any memorandum or notice hereof shall be recorded and Buyer agrees not to file any notice of pendency or other instrument against the Property or any portion thereof in connection herewith. Buyer agrees to indemnify, defend, and hold Seller and the Seller's Parties harmless from and against all damages, costs, expenses, losses and liabilities (including reasonable attorneys' and experts' fees, expenses and disbursements) incurred by Seller by reason of the filing by Buyer of such notice of pendency or other instrument (including any *lis pendens*) if any such notice or *lis pendens* is not expressly permitted to be filed by the foregoing or if Seller prevails in the underlying litigation for which any notice or *lis pendens* is filed, regardless of whether such notice or *lis pendens* is permitted to be filed. This Section shall survive the Closing (and not be merged therein) or the earlier termination of this Agreement.

(o) Joint and Several Liability. If there is more than one Buyer or if Buyer is comprised of more than one party or entity, the obligations imposed upon Buyer shall be joint and several obligations of all the parties and entities, and requests or demands from any one person or entity comprising Buyer shall be deemed to have been made by all such persons or entities.

(p) Survival of Covenants, Etc. All agreements, conditions, acknowledgements, representations, and other obligations set forth in this Agreement shall not survive the Closing, unless specifically stated herein to the contrary.

(q) Days/Holidays. All references to days herein shall refer to calendar days unless otherwise noted. When performance of an obligation or satisfaction of a condition set forth in this Agreement is required on or by a date that is a Saturday, Sunday, or legal holiday, such performance or satisfaction shall instead be required on or by the next Business Day following such Saturday, Sunday, or holiday, notwithstanding any other provisions of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Purchase and Sale Agreement and Joint Escrow Instructions as of the Effective Date.

BUYER:

TURO PARTNERS, LLC,
a California limited liability company

DocuSigned by:
By: Will Marks
Name: WILL MARKS
Its: Manager

SELLER:

WINDSCAPE APARTMENTS, LLC,
a Delaware limited liability company

DocuSigned by:
By: Bradley D. Sharp
Name: Bradley D. Sharp
Its: Chief Restructuring Officer

AGREEMENT OF ESCROW HOLDER

The undersigned has executed this Agreement solely to confirm its agreement to hold the Escrow Deposits in escrow and otherwise comply with the provisions of **Exhibit J** to this Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of July 22, 2025.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

By: 
Name: Kiley Demaree
Title: Sr. Escrow Officer

EXHIBIT A

REAL PROPERTY DESCRIPTION

For APN/Parcel ID(s): 0133-330-040, 0133-330-030 and 0133-330-020

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF VACAVILLE, COUNTY OF SOLANO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL A, IN THE CITY OF VACAVILLE, COUNTY OF SOLANO, STATE OF CALIFORNIA, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SOLANO COUNTY, CALIFORNIA, ON AUGUST 30, 1989 IN BOOK 34 OF PARCEL MAPS, AT PAGE 63, SOLANO COUNTY RECORDS.

PARCEL TWO:

PARCEL B, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SOLANO COUNTY, CALIFORNIA, ON AUGUST 30, 1989 IN BOOK 34 OF PARCEL MAPS, AT PAGE 63, SOLANO COUNTY RECORDS.

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND UTILITIES, APPURTENANT TO PARCEL TWO ABOVE, OVER AND ACROSS PARCEL A AS SHOWN ON THE MAP REFERRED TO ABOVE, SHOWN AS "50" INGRESS AND EGRESS EASEMENT," ON SAID PARCEL MAP (34 PM 63).

PARCEL FOUR:

PARCEL C, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SOLANO COUNTY, CALIFORNIA, ON AUGUST 30, 1989 IN BOOK 34 OF PARCEL MAPS, AT PAGE 63, SOLANO COUNTY RECORDS.

PARCEL FIVE:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND UTILITIES, APPURTENANT TO PARCEL FOUR ABOVE, OVER AND ACROSS PARCEL A AND PARCEL B AS SHOWN ON THE MAP REFERRED TO ABOVE, SHOWN AS "50' INGRESS AND EGRESS EASEMENT," ON SAID PARCEL MAP (34 PM 63).

EXHIBIT B

SALE PROCEDURES ORDER

The Order Establishing Omnibus Procedures for Real Property Sales, Docket No. 971, entered on 03/05/2025 (the “Sale Procedures Order”) is found and downloaded at the following on-line link:

<https://veritaglobal.net/lm/document/5910545250305000000000028>.

In accordance with Section 10 of this Agreement, Buyer (1) represents and acknowledges it has received and had a full opportunity to make a complete review of the Sale Procedures Order in the link above and/or the Data Room and/or Due Diligence Items as described in Section 4(b) of this Agreement, and (2) for avoidance of doubt, agrees that the as-is and release provisions of Section 10(c) and Section 10(d) of the Agreement apply and extend to this Exhibit B as if fully incorporated herein.

EXHIBIT C

FORM OF DEED

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN IT TO:**

Attention: _____

MAIL ALL TAX STATEMENTS TO:

Attention: _____
APN: _____

(Space Above for Recorder's Use Only)

GRANT DEED

The undersigned Grantor declares:

Documentary Transfer Tax is \$ _____ (County) and \$ _____ (City),

- [] computed on the full value of the property conveyed, OR
[] computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
[] unincorporated area; [] City of _____

FOR VALUE RECEIVED, WINDSCAPE APARTMENTS, LLC, a Delaware limited liability company, grants to TURO PARTNERS, LLC, a California limited liability company, all that certain real property located in the City of Vacaville, County of Solano, State of California, more particularly described in Exhibit A attached hereto and incorporated herein by reference thereto. This conveyance is made and accepted subject to non-delinquent taxes and assessments, all matters which appear in the public record as of the date hereof, including those shown on any recorded plat or survey, or that would be revealed by a survey or physical inspection of the real property conveyed.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of this ____ day of _____, 2025.

Grantor:

WINDSCAPE APARTMENTS, LLC,
a Delaware limited liability company

By: _____
Name: _____
Its: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[illegible]

On _____, 202____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit A to Grant Deed

Real Property Legal Description

For APN/Parcel ID(s): 0133-330-040, 0133-330-030 and 0133-330-020

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF VACAVILLE, COUNTY OF SOLANO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

PARCEL A, IN THE CITY OF VACAVILLE, COUNTY OF SOLANO, STATE OF CALIFORNIA, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SOLANO COUNTY, CALIFORNIA, ON AUGUST 30, 1989 IN BOOK 34 OF PARCEL MAPS, AT PAGE 63, SOLANO COUNTY RECORDS.

PARCEL TWO:

PARCEL B, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SOLANO COUNTY, CALIFORNIA, ON AUGUST 30, 1989 IN BOOK 34 OF PARCEL MAPS, AT PAGE 63, SOLANO COUNTY RECORDS.

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND UTILITIES, APPURTENANT TO PARCEL TWO ABOVE, OVER AND ACROSS PARCEL A AS SHOWN ON THE MAP REFERRED TO ABOVE, SHOWN AS "50" INGRESS AND EGRESS EASEMENT," ON SAID PARCEL MAP (34 PM 63).

PARCEL FOUR:

PARCEL C, AS SHOWN ON THAT CERTAIN PARCEL MAP FILED FOR RECORD IN THE OFFICE OF THE RECORDER OF SOLANO COUNTY, CALIFORNIA, ON AUGUST 30, 1989 IN BOOK 34 OF PARCEL MAPS, AT PAGE 63, SOLANO COUNTY RECORDS.

PARCEL FIVE:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AND UTILITIES, APPURTENANT TO PARCEL FOUR ABOVE, OVER AND ACROSS PARCEL A AND PARCEL B AS SHOWN ON THE MAP REFERRED TO ABOVE, SHOWN AS "50' INGRESS AND EGRESS EASEMENT," ON SAID PARCEL MAP (34 PM 63).

EXHIBIT D

FORM OF BILL OF SALE

THIS BILL OF SALE (“**Bill of Sale**”), is executed as of _____, 2025, by **WINDSCAPE APARTMENTS, LLC**, a Delaware limited liability company (“**Seller**”), for the benefit of **TURO PARTNERS, LLC**, a California limited liability company (“**Buyer**”).

WITNESSETH:

WHEREAS, pursuant to the terms of that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of 07/21/2025, by and between Buyer and Seller (as the same may have been amended, modified or assigned, the “**Sale Agreement**”), Seller agreed to sell to Buyer, *inter alia*, certain real property, the improvements located thereon and certain rights appurtenant thereto, all as more particularly described in the Sale Agreement (collectively, the “**Real Property**”). Initially capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement; and

WHEREAS, by deed of even date herewith, Seller conveyed the Real Property to Buyer; and

WHEREAS, in connection with the above-described conveyance, Seller desires to sell, transfer and convey to Buyer certain items of tangible personal property as hereinafter described.

NOW, THEREFORE, in consideration of the receipt of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid in hand by Buyer to Seller, the receipt and sufficiency of which are hereby acknowledged, Seller has SOLD, TRANSFERRED, and CONVEYED and by these presents does hereby SELL, TRANSFER, and CONVEY to Buyer and Buyer hereby accepts all right, title and interest in and to all tangible personal property owned by Seller that is located on the Real Property and used in the ownership, operation and maintenance of the Real Property, but specifically excluding any Excluded Assets and any computer software that is licensed to Seller (herein collectively called the “**Personal Property**”).

This Bill of Sale is made without any covenant, warranty or representation by, or recourse against, Seller other than Seller’s Warranties (as defined in the Sale Agreement). Seller’s liability under this Bill of Sale shall be limited as set forth in Section 12(b) of the Sale Agreement.

The parties contemplate that they may be executing counterparts of this Bill of Sale transmitted by pdf electronic copy and agree and intend that a pdf signature shall bind the party so signing with the same effect as though the signature were an original signature.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale to be effective as of the date first set forth hereinabove.

DATED this _____ day of _____, 2025.

SELLER:

**WINDSCAPE APARTMENTS, LLC,
a Delaware limited liability company**

By: _____
Name: _____
Its: _____

EXHIBIT E

FORM OF ASSIGNMENT OF LEASES, CONTRACTS AND INTANGIBLE PROPERTY

THIS ASSIGNMENT OF LEASES, CONTRACTS AND INTANGIBLE PROPERTY (this “**Assignment**”) is made as of _____, 2025, by and between **WINDSCAPE APARTMENTS, LLC**, a Delaware limited liability company (“**Assignor**”) and **TURO PARTNERS, LLC**, a California limited liability company (“**Assignee**”).

WITNESSETH:

WHEREAS, pursuant to the terms of that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of 07/21/2025, by and between Assignee and Assignor (as the same may have been amended, modified or assigned, the “**Sale Agreement**”), Assignor agreed to sell to Assignee certain real property, the improvements located thereon and certain rights appurtenant thereto, all as more particularly described in the Sale Agreement (collectively, the “**Real Property**”). Initially capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Sale Agreement; and

WHEREAS, the Sale Agreement provides that Assignor shall assign to Assignee certain leases and rights to certain intangible property and that Assignor and Assignee shall enter into this Assignment.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Assignment of Leases. Assignor hereby assigns, sets over and transfers to Assignee all of Assignor’s right, title and interest in, to and under the leases (“**Leases**”) identified on **Exhibit A** attached hereto. Assignee hereby accepts the foregoing assignment of the Leases and assumes the obligations with respect thereto as and to the extent provided in the Sale Agreement.

2. Assignment of Contracts and Other Intangible Property. Assignor hereby assigns, sets over and transfers to Assignee all of Assignor’s right, title and interest in, to and under the following, if and only to the extent the same may be assigned or quitclaimed by Assignor without expense to Assignor in excess of a nominal transfer fee: (a) the Contracts relating to the Real Property that are described in **Exhibit B** attached hereto; (b) any licenses, permits and other written authorizations in effect as of the date hereof with respect to the Real Property; and (c) any guaranties and warranties in effect as of the date hereof with respect to any portion of the Real Property or the personal property conveyed to Assignee by Assignor concurrently herewith. Assignee hereby accepts the foregoing assignment of the interests described in this Section 2 (collectively, the “**Intangible Property**”) and assumes the obligations with respect thereto as and to the extent provided in the Sale Agreement. The Intangible Property shall not include any Excluded Assets.

3. Acceptance. By executing this Assignment, Assignee assumes the payment and performance of, and agrees to pay, perform and discharge, all the debts, duties and obligations to be paid, performed or discharged from and after the Closing Date (as defined in the Sale Agreement) by (a) the “landlord” or the “lessor” under the terms, covenants and conditions of the Leases, including, without limitation, brokerage commissions and compliance with the terms of the Leases relating to tenant improvements and security deposits, and (b) the owner under the Contracts and/or the other Intangible Property. Assignee agrees to indemnify, hold harmless and defend Assignor from and against any and all Claims (including, without limitation, court costs and reasonable attorneys’ fees and disbursements) resulting by reason of the failure of Assignee to pay, perform or discharge any of the debts, duties or obligations assumed or agreed to be assumed by Assignee hereunder arising out of or relating to, directly or indirectly, in whole or in part, the Leases, the Contracts and/or the other Intangible Property from and after the Closing Date.

4. Reservation of Benefits. Notwithstanding anything to the contrary in this Assignment, to the extent that Assignor continues to have liability after the date hereof with respect to the Property, Assignor reserves and retains such benefits under the Leases and the Intangible Property as are necessary or desirable for Assignor to defend or protect itself with respect to, or to assert any rights relating to, any matter for which Assignor may continue to have liability from and after the date hereof; provided, however, said benefits reserved and retained by Assignor pursuant to this section shall exist jointly with Assignee's benefits under the Leases and Intangible Property, and such benefits may be enforceable by each of Assignor and Assignee to the extent of their respective liability or damages for any matters relating thereto. Assignee and Assignor agree to cooperate with the reasonable requests of the other party in enforcing their respective benefits under the Leases and the Intangible Property to the extent such benefits are reserved by Assignor pursuant to the terms of this section.

5. Limitation on Liability. Assignor's liability under this Assignment shall be limited as set forth in Section 12(b) of the Sale Agreement.

6. Miscellaneous. This Assignment and the obligations of the parties hereunder shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns, shall be governed by and construed in accordance with the laws of the State in which the Real Property is located applicable to agreements made and to be wholly performed within said State and may not be modified or amended in any manner other than by a written agreement signed by the party to be charged therewith.

7. Severability. If any term or provision of this Assignment or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Assignment or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Assignment shall be valid and enforced to the fullest extent permitted by law.

8. Counterparts. This Assignment may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement. The parties contemplate that they may be executing counterparts of this Assignment transmitted by pdf electronic copy and agree and intend that a pdf signature shall bind the party so signing with the same effect as though the signature were an original signature.

/SIGNATURE PAGE FOLLOWS/

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment of Leases and Intangible Property the day and year first above written.

ASSIGNOR: **WINDSCAPE APARTMENTS, LLC,**
a Delaware limited liability company

By: _____
Name: _____
Its: _____

ASSIGNEE: **TURO PARTNERS, LLC,**
a California limited liability company

By: _____
Name: _____
Its: _____

Exhibit A to
Assignment of Leases and Intangible Property

Leases

[Insert list of lease documents]

Exhibit B to
Assignment of Leases and Intangible Property

Contracts

[Insert list of Contracts being assumed by Buyer]

EXHIBIT F

LIST OF CONTRACTS

None.

EXHIBIT G

LIST OF LEASES

Unit(s)	Lease	Lease To
4950-A	John Cotta and Alex Hernandez (t0038048)	7/31/2029
4950-B, 4950-C	Cal.net (t0036370)	3/15/2027
4950-D	Cennox Project and Security Solutions, LLC (t0036371)	2/28/2027
4960-AL, 4960-BK, 4960-EH	J3C Group, LLC and Steven Brown (t0036584)	4/14/2026
4960-C, 4960-J	Tiger Tile and Stone, Inc and Moises Gomez (t0036374)	12/31/2026
4970-A	Calson Management, LLC (t0036369)	9/30/2025
4970-B	Armando Hernandez Engineering Lease (t0037085)	11/30/2027
4970-C	IES COMMUNICATIONS, LLC (t0038091)	6/30/2028
4970-DE	SERVPRO Vacaville (t0036776)	6/4/2025
4970-F	JL Tile (John Long) (t0036378)	1/31/2026

EXHIBIT H
FORM OF NOTICE TO TENANTS

_____, 202__

VIA FACSIMILE AND U.S. MAIL

Re: 4950, 4960, 4970 Allison Parkway, Vacaville, California

Dear _____:

This letter is to notify you as a Tenant at 4950, 4960, 4970 Allison Parkway, Vacaville, CA 95688-8734 (the "Property"), that the Property has been sold by WINDSCAPE APARTMENTS, LLC, a Delaware limited liability company ("Seller"), to TURO PARTNERS, LLC, a California limited liability company ("Buyer"). As of the date hereof, your Lease has been assigned by Seller to Buyer. From the date of this letter, any and all unpaid rent as well as all future rent, or any other amounts due under the terms of your Lease, shall be directed as follows:

As part of the sale, all refundable tenant security deposits, if any, actually held by Seller with respect to the Property have been transferred to, and Seller's obligations with respect to such deposits have been assumed by, Buyer as of the date of this letter. Any and all payments of rent (or other sums due under your Lease) hereafter paid to any party other than Buyer shall not relieve you of the obligation of making said payment to Buyer.

Sincerely,

SELLER:

**WINDSCAPE APARTMENTS, LLC,
a Delaware limited liability company**

By: _____
Name: _____
Its: _____

EXHIBIT I

FORM OF TENANT ESTOPPEL CERTIFICATE

The undersigned ("Tenant") hereby certifies to _____, a [_____] ("Buyer") and
_____ ("Lender") as follows:

1. Attached to this Estoppel Certificate as Exhibit A is a complete copy of the lease documents and all amendments and modifications thereto and guaranties thereof (the "Lease") by which Tenant leases the space described therein (the "Premises"), which space is located in the building located at 4950, 4960, 4970 Allison Parkway, Vacaville, California (the "Building"), currently owned by [_____] ("Landlord"). The Building, the land on which the Building is located and any other improvements located on such land are herein collectively referred to as the "Property".
2. The term of the Lease commenced on _____, and ends on _____, and the full rent is now accruing under the Lease in the amount of \$ _____ per month for base rent and \$ _____ per month for operating expenses and taxes, subject to adjustment as set forth in the Lease.
3. No monthly rent (excluding security deposits) has been paid more than thirty days in advance except as follows _____ (if none, please state "none"). No rent credits are due Tenant under the Lease other than _____ (if none, please state "none").
4. Landlord holds a security deposit of \$ _____ (if none, please state "none") and a letter of credit in the amount of \$ _____ (if none, please state "none") under the Lease.
5. Tenant has accepted possession of the Premises under the Lease, all improvements and construction required to be performed by the Landlord under the Lease have been completed to the satisfaction of Tenant (other than any latent defects of which Tenant is not aware), and no money is owed to Tenant for improvements other than _____

_____ (if none, please state "none").
6. The Lease is in full force and effect, has not been amended or modified (except for the amendments or modifications, if any, identified in Exhibit A attached to this Estoppel Certificate), and constitutes the entire agreement and only lease between Landlord and Tenant relating to the Premises.
7. Except as expressly set forth in the Lease, Tenant has not been granted any options to terminate the term of the Lease earlier than the date specified in Paragraph 2 above, nor any options and/or rights of first refusal to extend the term of the Lease or to lease any other space in the Property. Tenant does not have any outstanding options to purchase, or rights of first refusal or first offer to purchase, the Premises or any part of the Property. Tenant has no parking rights related to the Premises except as set forth in the Lease.
8. Tenant is not in default under the Lease. To Tenant's current actual knowledge, as of the date of this Estoppel Certificate, there is no breach or default by Landlord under the Lease. Tenant has no defense, claim or demand against the landlord, under the Lease or otherwise, which can be offset against rents or other charges due or to become due under the Lease.
9. Tenant has not assigned the Lease or subleased all or any part of the premises thereunder other than by a document identified in Exhibit A attached hereto.

10. Tenant is not a debtor in any bankruptcy case or other insolvency proceeding relating to Tenant. Any guarantor of the Lease ("Guarantor"), as of the date of this Estoppel Certificate is not a debtor in any bankruptcy case or other insolvency proceeding relating to Guarantor.

Notwithstanding anything contained in this Estoppel Certificate, nothing contained in this Estoppel Certificate shall constitute or be deemed to constitute an amendment, modification or waiver of any term or condition of the Lease or any right or remedy of Tenant thereunder. In the event of a conflict between the Lease and this Estoppel Certificate, the Lease shall control.

The foregoing information is accurate and complete. Tenant acknowledges that Buyer will rely on this Tenant Estoppel Certificate in purchasing an interest in the Building and Tenant agrees that Buyer shall have the right to rely on this Estoppel Certificate in connection therewith.

Dated: _____.

TENANT:

By: _____
Name: _____
Title: _____

Exhibit A
to
Tenant Estoppel Certificate

EXHIBIT J

ESCROW PROVISIONS

The Deposit and any other sums (including, without limitation, any interest earned thereon) that the parties agree shall be held in escrow (herein collectively called the “**Escrow Deposits**”) shall be held by the Escrow Holder in trust and disposed of only in accordance with the following provisions:

1. The Escrow Holder shall invest the Escrow Deposits in government-insured interest-bearing instruments reasonably satisfactory to both Buyer and Seller and shall promptly provide Buyer and Seller with confirmation of the investments made. Because Escrow Holder is not itself a bank, it may commingle the Escrow Deposits with other escrow deposits in a trust account in order to facilitate placing the Escrow Deposits in a segregated interest-bearing account and to disburse the Escrow Deposits once they have been removed from said segregated interest-bearing account in accordance with the terms of this Agreement, but shall not otherwise commingle the Escrow Deposits with any funds of the Escrow Holder or others.

2. Notwithstanding any provision herein to the contrary, if Buyer terminates this Agreement at any time during the Due Diligence Period, Escrow Holder shall deliver the Escrow Deposits to Buyer upon the unilateral direction of Buyer, without the consent of Seller, provided that Escrow Holder shall notify Seller in the event of such disbursement.

3. After the expiration of the Due Diligence Period, if for any reason the Closing does not occur and either party makes a written demand upon the Escrow Holder for payment of the Escrow Deposits, the Escrow Holder shall give written notice to the other party of such demand. If the Escrow Holder does not receive a written objection from the other party to the proposed payment within ten (10) days after the giving of such notice, the Escrow Holder is hereby authorized to make such payment. If the Escrow Holder receives such written objection within such period, the Escrow Holder shall continue to hold such amount until otherwise directed by written instructions signed by Seller and Buyer or a final judgment of a court having jurisdiction.

4. If the Closing occurs, the Escrow Holder shall deliver the Escrow Deposits to, or upon the instructions of, Seller on the Closing Date.

5. The parties acknowledge that the Escrow Holder is acting solely as a stakeholder at their request and for their convenience, that the Escrow Holder shall not be deemed to be the agent of either of the parties, and that the Escrow Holder shall not be liable to either of the parties for any action or omission on its part taken or made in good faith and not in disregard of this Agreement, but shall be liable for any Claims (including reasonable attorneys’ and experts’ fees, expenses and disbursements) incurred by Seller or Buyer resulting from actions or omissions taken or made by the Escrow Holder in bad faith, in disregard of this Agreement or involving negligence on the part of the Escrow Holder. Seller and Buyer shall jointly and severally indemnify and hold the Escrow Holder harmless from and against all Claims (including reasonable attorneys’ fees, expenses, and disbursements) incurred in connection with the performance of the Escrow Holder’s duties hereunder, except with respect to actions or omissions taken or made by the Escrow Holder in bad faith, in disregard of this Agreement or involving negligence on the part of the Escrow Holder.

6. Buyer shall pay any income taxes on any interest earned on the Escrow Deposits.

7. Section 6045(e) of the United States Internal Revenue Code and the regulations promulgated thereunder (herein collectively called the “**Reporting Requirements**”) require an information return to be made to the United States Internal Revenue Service, and a statement to be furnished to Seller, in connection with the Transaction. Escrow Holder is either (x) the person responsible for closing the Transaction (as described in the Reporting Requirements) or (y) the disbursing title or escrow company that is most significant in terms of gross proceeds disbursed in connection with the Transaction (as described in the Reporting Requirements). Accordingly:

(a) Escrow Holder is hereby designated as the “**Reporting Person**” (as defined in the Reporting Requirements) for the Transaction. Escrow Holder shall perform all duties that are required by the Reporting Requirements to be performed by the Reporting Person for the Transaction.

(b) Seller and Buyer shall furnish to Escrow Holder, in a timely manner, any information requested by Escrow Holder and necessary for Escrow Holder to perform its duties as Reporting Person for the Transaction.

(c) Escrow Holder hereby requests Seller to furnish to Escrow Holder Seller’s correct taxpayer identification number. Seller acknowledges that any failure by Seller to provide Escrow Holder with Seller’s correct taxpayer identification number may subject Seller to civil or criminal penalties imposed by Law.

8. The provisions of this **Exhibit J** shall survive the Closing (and not be merged therein) or earlier termination of this Agreement.

EXHIBIT K

FORM OF BUYER'S DECLARATION

KELLER BENVENUTTI KIM LLP
425 MARKET STREET, 26TH FLOOR
SAN FRANCISCO, CALIFORNIA 94105

KELLER BENVENUTTI KIM LLP
Tobias S. Keller (Cal. Bar No. 151445)
(tkeller@kbbkllp.com)
David A. Taylor (Cal. Bar No. 247433)
(dtaylor@kbbkllp.com)
Thomas B. Rupp (Cal. Bar No. 278041)
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*Attorneys for the Debtors and
Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:
LEFEVER MATTSON, a California
corporation, *et al.*,¹
Debtors.

Lead Case No. 24-10545 (CN)
(Jointly Administered)
Chapter 11

**DECLARATION OF *[INSERT NAME]* IN
SUPPORT OF ADEQUATE
ASSURANCE OF FUTURE
PERFORMANCE BY *[NAME OF
BUYER]* WITH RESPECT TO THE
ASSUMPTION AND ASSIGNMENT OF
*[EXECUTORY LEASES AND/OR
UNEXPIRED CONTRACTS]* IN
CONNECTION WITH THE SALE OF
*[SUBJECT PROPERTY ADDRESS]***

[No Hearing Requested]

¹ The last four digits of LeFever Mattson's tax identification number are 7537. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>. The address for service on the Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621.

KELLER BENVENUTTI KIM LLP
425 MARKET STREET, 26TH FLOOR
SAN FRANCISCO, CALIFORNIA 94105

1 I, [NAME], declare as follows, pursuant to 28 U.S.C. § 1746:

2 1. I submit this declaration (the "Declaration") in support of [NAME OF BUYER] (the
3 "Buyer") with respect to the assumption and assignment of [EXECUTORY LEASES AND/OR
4 UNEXPRIED CONTRACTS] (the "Agreements") in connection with the sale of the real property
5 located at [SUBJECT PROPERTY ADDRESS] from the above-captioned debtors and debtors-in-
6 possession (collectively, the "Debtors") pursuant to the Purchase and Sale Agreement [OR CAR
7 RESIDENTIAL PURCHASE AGREEMENT] dated ____ (the "Purchase Agreement") attached as
8 Exhibit __ to the *Notice of Sale* of [SUBJECT PROPERTY ADDRESS] filed concurrently herewith.

9 2. I am the [TITLE AT BUYER] [DESCRIBE ROLE] [IF INDIVIDUAL, BUYER
10 SHOULD STATE THAT THEY ARE PURCHASER OF PROPERTY. ADD BUYER EXPERIENCE
11 AS A LANDLORD, IF ANY.]

12 3. I am knowledgeable and familiar with the Buyer's business and financial affairs. I
13 am authorized to submit this Declaration on behalf of Buyer. Except as otherwise indicated herein,
14 the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant
15 documents, information provided to me by the Buyer or its advisors, or my opinion based upon
16 experience, knowledge, and information concerning the Buyer's finances. If called upon to testify,
17 I would testify to the facts set forth in this Declaration.

18 4. [DESCRIPTION OF BUYER].

19 5. [FINANCIAL ABILITY OF BUYER TO MANAGE THE PROPERTY]. [FOR
20 INDIVIDUAL BUYER - I have reviewed the financial information for the Property provided by the
21 Debtors and I am capable of meeting the financial obligations of the Agreements.]

22 6. Accordingly, the Buyer has demonstrated the willingness and ability to perform its
23 obligations under the Purchase Agreement and the assigned Agreements.

24 I declare under penalty of perjury under the laws of the United States of America that the
25 foregoing is true and correct.

26
27 Dated: [MONTH DAY YEAR]

/s/ DRAFT
[NAME OF DECLARANT]

EXHIBIT L**OVERBID AND AUCTION PROCEDURES**

Pursuant to the *Order Establishing Procedures for Real Property Sales* [Dkt. No. 971] (the “Sale Procedures Order” approving the “Sale Procedures”)¹ entered on March 5, 2025, Seller WINDSCAPE APARTMENTS, LLC, a Delaware limited liability company and TURO PARTNERS, LLC, a California limited liability company (the “Proposed Buyer”) entered that certain Purchase and Sale Agreement and Joint Escrow Instructions dated [DATE] (the “Purchase and Sale Agreement”) to sell 4950, 4960, 4970 Allison Parkway, Vacaville, CA 95688-8734 (the “Property”). A copy of the Purchase and Sale Agreement is attached to the Sale Notice (as defined in the Sales Procedures Order and to which these Auction Procedures are attached as Exhibit 2) as Exhibit 1 to the Proposed Order.

On or about August 6, 2024, Seller and certain affiliates of Seller (collectively, the “Debtors”) filed voluntary petitions for bankruptcy relief under Chapter 11 of the Bankruptcy Code, jointly administered under Case No. 24-10545 (the “Bankruptcy Case”) in the United States Bankruptcy Court for the Northern District of California, Santa Rosa Division (the “Bankruptcy Court”).

In accordance with the approved Sale Procedures, the following bid procedures shall apply to the auction to be conducted in the event that the Debtors receive any Qualified Bids (as defined below):

- a. Provisions Governing Qualifications of Bidders. Unless otherwise ordered by the Court, in order to participate in the bidding process for the Property, prior to the Bid Deadline (as defined below), each entity who wishes to participate in the bidding process for the Property (a “Potential Bidder”) must do so in writing and deliver the following, **by electronic mail**, to Greg Gotthardt, FTI Consulting (“FTI”) at greg.gotthardt@fticonsulting.com and Larissa Gotguelf at larissa.gotguelf@fticonsulting.com:
 - (i) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors to a Potential Bidder) in the form attached hereto as **Exhibit**;
 - (ii) sufficient information, as determined by the Debtors (in consultation with the Official Committee of Unsecured Creditors appointed in these chapter 11 cases (the “Committee”)) to demonstrate proof of financial wherewithal, including:
 - (A) Disclosure of Identity. Fully disclose the identity of each Potential Bidder, including any principal or representative that will be bidding for the Property on behalf of the Potential Bidder or otherwise participating in connection with such bid, and the complete terms of any such participation, as well as any of Debtors’ creditors or Insiders (as defined under 11 U.S.C. § 101) associated with the Potential Bidder;
 - (B) Proof of Financial Wherewithal. Demonstration (to the reasonable satisfaction of the Debtors, in consultation with the Committee) of sufficient financial wherewithal to be able to close on a purchase of the Property, which may include:
 - (1) current audited financial statements and latest unaudited financial statements of the potential bidder, or, if the potential bidder is an entity formed for the

¹ Capitalized terms not otherwise defined herein shall have the meaning given to them in the Sale Procedures Order, a copy of which is attached hereto as **Exhibit B**.

purpose of acquiring the Property, current audited financial statements and latest unaudited financial statements of the equity holders of the potential bidder who will guarantee the obligations of the potential bidder;

- (2) current financial bank statements, screenshot(s) of bank account balance(s), a letter from the bank of the potential bidder indicating the availability of the funds, including the immediate availability of the 10% deposit;
- (3) written evidence of a firm, irrevocable commitment for financing; and/or
- (4) such other form of financial disclosure and credit-quality support or enhancement that will allow the Debtors and their financial advisors to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate the Sale; and

(iii) if the Potential Bidder is represented by a broker, the broker's retention agreement.

A Potential Bidder that has executed a confidentiality agreement and has otherwise complied with the requirements described above, and that the Debtors determine in their reasonable business judgment, after consultation with their counsel, financial and other advisors, and the Committee, is likely (based on availability of financing, experience and other considerations) to be able to consummate the sale of the Property (the "Sale"), will be deemed a "Qualified Bidder." The Debtors shall notify a Potential Bidder if it qualifies as a Qualified Bidder prior to the Auction, as defined below.

For the sake of clarity, the fact that a bidder has been deemed a "Qualified Bidder" does not, by itself, entitle such bidder to participate at the Auction. In order to participate in the Auction or any other overbidding process pursuant to these Bid Procedures, a Qualified Bidder must also submit, by the Bid Deadline, a Bid that is determined to be a Qualified Bid, as defined in, and in accordance with, these Bid Procedures.

- b. Bid Deadline. A Qualified Bidder that desires to make a Bid (as defined below) will deliver written copies of its Bid **by electronic mail** to the Debtors' representative at the address set forth in (a) above, so as to be received not later than **September 17, 2025, at 4:00 p.m. (PT)** (as may be extended as set forth herein, the "Bid Deadline"). As soon as practicable after receipt of a Bid, but in no event more than 24 hours after receipt of a Bid, FTI shall provide copies of the Bid and all related documents to counsel for the Debtors and the Committee. The Debtors, in consultation with the Committee, may extend the Bid Deadline to address any inadequacies in an otherwise sufficient Bid submitted by the Bid Deadline.
- c. Provisions Governing Qualified Bids. An offer, solicitation, or proposal (each, a "Bid") that is submitted in writing by a Qualified Bidder and satisfies each of the following requirements, as determined by the Debtors, in their reasonable business judgment and in consultation with the Committee, shall constitute a "Qualified Bid":
 - (i) *Property*. Each Bid must state that the applicable Qualified Bidder offers to purchase all of the Property, upon the terms and conditions substantially as set forth in the form of the Purchase and Sale Agreement, and any addenda thereto, including without limitation, with respect to certainty and timing of closing, or pursuant to an alternative structure, or upon alternative terms and conditions that the Debtors, in consultation with the Committee, reasonably determine are no less favorable than the terms and conditions of the Purchase and Sale Agreement. Each Bid must specifically identify the particular property or properties to which it relates.

- (ii) *Purchase Price.* Each Bid must clearly set forth the purchase price to be paid (the “Bid Price”) which shall include: (a) cash in an amount not less than any minimum bid amount previously identified by the Debtors for the Property or relevant portion thereof (the “Cash Consideration”); (b) all amounts that are necessary to cure any defaults owed under any contract or unexpired lease that the Qualified Bidder identifies in the Bid for assumption and assignment (the “Cure Amounts”); and (c) all other estimated prorations and other expenses to be paid by Buyer at closing.
- (iii) *Good Faith Deposit.* Overbids must be accompanied by a good faith deposit of 10% of the Bid Price sent to Commonwealth Land Title to the escrow identified on the Sale Notice.
- (iv) *Planned Closing Date.* Each Bid must require that the Sale close on the date assigned in the Purchase and Sale Agreement, but in no event later than 120 days from the effective date of the Purchase and Sale Agreement (the “Planned Closing Date”).
- (v) *Binding and Irrevocable.* Each Bid must be unconditional and irrevocable, subject only to Bankruptcy Court approval, and include a letter, signed by an authorized representative of the Qualified Bidder who has authority to bind the Qualified Bidder, stating that the Qualified Bidder’s Bid is irrevocable until the Court approves the selection of the Successful Bidder (as defined below) and the Back-Up Bidder (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder or the Back-Up Bidder, its offer shall remain irrevocable until the earlier of (i) closing of the Sale to the Successful Bidder, and (ii) (x) with respect to the Successful Bidder only, the Planned Closing Date, subject to further extensions as may be agreed to pursuant to the applicable purchase agreement, and (y) with respect to the Back-Up Bidder only, 45 days following the Planned Closing Date (collectively, the “Bid Lifetime”). Failure to close during the Bid Lifetime will result in forfeiture of the applicable bidder’s deposit.
- (vi) *Marked Agreement.* Each Bid must include a duly authorized and executed Purchase and Sale Agreement, and any addenda thereto, which agreement shall include, among other things, the Bid Price for the Property expressed in U.S. Dollars, which must be accompanied by all exhibits and schedules thereto, as well as such additional ancillary agreements as may be required by the Qualified Bidder, with all exhibits and schedules thereto (or term sheets that describe the material terms and provisions of such agreements), as well as copies of such materials marked to show those amendments and modifications to the Purchase and Sale Agreement (collectively, a “Marked Agreement”), and the proposed order for approval of the Sale by the Court proposed by the Qualified Bidder substantially in the form attached as Exhibit 1 to the Sale Notice. To be deemed a Qualified Bid, a Bid may not contain additional termination rights, covenants, financing or due diligence contingencies, shareholder, board of director or other internal approval contingencies, or closing conditions, other than as are included in the Purchase and Sale Agreement (it being agreed and understood that such Bid shall modify the Purchase and Sale Agreement as needed to comply in all respects with the Sale Procedures Order).
- (vii) *As-Is, Where-Is.* Each Bid must include an acknowledgement and representation that the Qualified Bidder: (a) has had an opportunity to conduct any and all required due diligence regarding the Property prior to making its offer; (b) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; (c) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Property or the completeness of any information provided in connection therewith or the Auction (as defined below), except as expressly stated in the Marked Agreement; and (d) is not entitled to any expense

reimbursement or break-up fee in connection with its bid unless expressly agreed in writing to the contrary by the Debtors, in consultation with the Committee, prior to the Bid Deadline.

- (viii) *Affirmative Statement.* Each Bid shall be accompanied by an affirmative statement that: (i) the Qualified Bidder submitting such Bid has and will continue to comply with the Sale Procedures Order; and (ii) the Qualified Bidder submitting such Bid waives any substantial contribution (administrative expense) claims under section 503(b) of the Bankruptcy Code related to the bidding for the Debtors' assets or otherwise participating in the Auction, except as expressly agreed to the contrary by the Debtors, in consultation with the Committee, prior to the Bid Deadline.
- (ix) *Authorization.* Each Bid must include evidence, in form and substance reasonably satisfactory to the Debtors, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery, and closing of the transactions contemplated by the Marked Agreement and the Sale. The Bid must also designate at least one individual who will be authorized to act on behalf of the Qualified Bidder at the Auction.
- (x) *Deposit.* Each Bid must be accompanied by a cash deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check, or such other form acceptable to the Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to ten percent (10%) of the Bid Price, which shall be held by Commonwealth Land Title, to be dealt with as provided for under "Deposits" herein.
- (xi) *Executory Contracts.* Each Bid must identify with particularity which executory contracts or unexpired leases the Qualified Bidder wishes to assume, include an acknowledgment and representation that the Qualified Bidder will assume the Debtors' obligations under such executory contracts and unexpired leases, including all Cure Amounts, and identify with particularity any executory contract or unexpired lease the assumption and assignment of which is a condition to closing. It is expected that the Qualified Bidder will assume at least as many of the executory contracts and unexpired leases as designated in the Purchase and Sale Agreement.
- (xii) *Adequate Assurance.* Each Bid must include evidence of the Qualified Bidder's ability to comply with section 365 of the Bankruptcy Code (to the extent applicable), including providing adequate assurance of such Qualified Bidder's ability to perform in the future under the contracts and leases proposed in its Bid to be assumed by the Debtors and assigned to the Qualified Bidder, in a form that will permit the immediate dissemination of such evidence to the counterparties to such contracts and leases.
- (xiii) *Consent to Jurisdiction.* Each Bid must state that the Qualified Bidder consents to the jurisdiction of the Bankruptcy Court.
- (xiv) *Additional Information.* Each Bid must contain any other information reasonably requested by the Debtors.
- (xv) *Bid Deadline.* Each Bid must be received by the Bid Deadline.

The Debtors will determine, in their reasonable business judgment, and in consultation with the Committee, whether to entertain Bids for the Property that do not conform to one or more of the requirements specified herein and deem such bids to be Qualified Bids. The Debtors reserve the right, in consultation with the Committee, to continue to negotiate the terms of any

Qualified Bid with the applicable Qualified Bidder after the Bid Deadline and prior to the Auction.

- d. [Intentionally Left Blank]
- e. [Intentionally Left Blank.]
- f. Evaluation of Competing Bids. A Qualified Bid, and the determination of the highest or otherwise best Qualified Bid(s), will be valued based upon several factors including, without limitation, items such as the Purchase Price and the net value (including assumed liabilities and the other obligations to be performed or assumed by the Qualified Bidder) provided by such Bid, the claims likely to be created by such Bid in relation to other Bids, the counterparties to the transactions, the proposed revisions to the relevant transaction documents, other factors affecting the speed, certainty, and value of the transactions (including any regulatory approvals, if any, required to close the transactions), the transition services required from the Debtors post-closing and any related restructuring costs, and the likelihood and timing of consummating such transactions, each as determined by the Debtors, in consultation with the Committee.
- g. No/Insufficient Qualified Bids. If the Debtors do not receive any Qualified Bids, the Auction shall be cancelled. The Debtors shall report the same to the Court and request the immediate entry of the Sale Order approving the Purchase and Sale Agreement with the Proposed Buyer.
- h. Auction Process. If the Debtors receive any Qualified Bids, the Debtors will file and serve notice (the "Auction Notice") of the time and date of the auction (the "Auction") on, all overbidders, any parties filing objections prior to the Objection Deadline, and the Notice Parties (as defined in the Sale Procedures Order). The Auction shall be transcribed or recorded on video and shall be conducted by virtual meeting which Auction may be cancelled or adjourned by the Debtors, in consultation with the Committee. The Auction shall run in accordance with the following procedures:
 - (i) The Debtors, the Proposed Buyer, the Committee, and any Qualified Bidder that has timely submitted a Qualified Bid, and each of their respective advisors, shall be permitted to attend the Auction, in person or by virtual meeting, whichever is appropriate at that time.
 - (ii) Only the Proposed Buyer and the Qualified Bidders who timely submitted Qualified Bids will be entitled to make any subsequent Bids at the Auction.
 - (iii) If the Qualified Bid of a Qualified Bidder relates only to a portion of the Property, the Debtors will have discretion, in consultation with the Committee, to consider whether to permit such Qualified Bidder to make subsequent Bids at the Auction for other or more portions of the Property than those that were in the Qualified Bidder's original Qualified Bid.
 - (iv) The Debtors reserve the right, in consultation with the Committee, to conduct one or more Auctions for the Property as a whole.
 - (v) Each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the Sale transactions.
 - (vi) At least two (2) days prior to the Auction, each Qualified Bidder who has timely submitted a Qualified Bid must inform the Debtors whether it intends to participate in the Auction; provided that in the event a Qualified Bidder elects not to participate in the Auction, such Qualified Bidder's Qualified Bid shall nevertheless remain fully enforceable against such Qualified Bidder for the Bid Lifetime. At least one (1) day prior

to the Auction, the Debtors will provide to all Qualified Bidders who have timely submitted a Qualified Bid and timely informed the Debtors that they intend to participate in the Auction a copy of the Qualified Bid or combination of Qualified Bids that the Debtors believe, in their reasonable business judgment, in consultation with their counsel, financial advisors, and other advisors, and the Committee, is the highest or otherwise best offer (the “Starting Bid”), along with the starting minimum bid increments (the “Starting Bid Notice”). The starting and subsequent minimum bid increments shall be for 2% over the Starting Bid on sales up to \$10,000,000.

- (vii) All Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (as defined below) at the Auction with the understanding that the true identity of each Qualified Bidder at the Auction will be fully disclosed to all other Qualified Bidders at the Auction, and that all material terms of each Subsequent Bid will be fully disclosed to all other bidders throughout the entire Auction; provided that all Qualified Bidders wishing to participate in the Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the Auction in person.
- (viii) The Debtors, after consultation with the Committee and each of their respective advisors, may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances (*e.g.*, the amount of time allotted to make Subsequent Bids or requiring that Subsequent Bids be the Qualified Bidders’ final and best bids) for conducting the Auction, provided that such rules are (i) not inconsistent with these Bid Procedures, the Sale Procedures Order, the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the “Bankruptcy Local Rules”), the Bankruptcy Code, or any order of the Court entered in connection herewith, and (ii) disclosed to each participating Qualified Bidder at the Auction.
- (ix) Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by a Qualified Bidder that (i) improves upon such Qualified Bidder’s immediately prior Qualified Bid (a “Subsequent Bid”), and (ii) the Debtors determine, in consultation with their advisors and the Committee, that such Subsequent Bid is (A) for the first round, a higher or otherwise better offer than the Starting Bid, and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined below). Each incremental bid at the Auction shall provide net value to the estates over the Starting Bid or the Leading Bid, as the case may be, of at least the bid increment(s) for the lot(s) bid on as set forth in the Starting Bid Notice, provided that the Debtors shall retain the right, in consultation with their counsel, financial advisors, and other advisors, and the Committee, to modify the increment requirements at any time at or prior to the Auction after informing each participating Qualified Bidder. After the first round of bidding and between each subsequent round of bidding, the Debtors and the Committee shall announce the bid or combination of bids (and the value of such bid(s)) that they believe, in consultation with each of their respective advisors to be the highest or otherwise better offer (the “Leading Bid”). A round of bidding will conclude after each participating Qualified Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.
- (x) Each Bid made at the Auction shall be irrevocable until the Court approves the selection of the Successful Bidder (as defined below) and the Back-Up Bidder (as defined below), provided that if a Bid is selected as the Successful Bid or the Back-Up Bid (as defined below), it shall remain irrevocable for the Bid Lifetime. Failure to close during the Bid Lifetime will result in forfeiture of the applicable bidder’s deposit.

- i. Reservation of Rights. Except as otherwise provided in the Bid Procedures or the Sale Procedures Order, the Debtors, after consultation with their advisors and the Committee: (i) may determine after each round of bidding at the Auction which Qualified Bid, if any, is the highest or otherwise best offer and the value thereof; (ii) may reject, at any time, any Bid that the Debtors determine, in consultation with the Committee, is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, the Bid Procedures, or the terms and conditions of the Sale, or (c) contrary to the best interests of the Debtors, their estates, and stakeholders; (iii) except as otherwise specifically set forth herein, may modify the Bid Procedures or impose, at or prior to the Auction, additional customary terms and conditions on the Sale of the Property; (iv) may extend the deadlines set forth herein, including, without limitation, the Bid Deadline; and (v) may continue or cancel the Auction without further notice.
- j. Selection of Successful Bid. Prior to the conclusion of the Auction, the Debtors, in consultation with the Committee and their respective advisors, will (i) review each Qualified Bid and evaluate each Qualified Bid as set forth in the section titled "Evaluation of Competing Bids" herein, (ii) identify the highest or otherwise best offer or offers for the Property or portions thereof received at the Auction (one or more such Bids, collectively the "Successful Bid" and the bidder(s) making such Bid, collectively, the "Successful Bidder"), and (iii) communicate to the Qualified Bidders the identity of the Successful Bidder, the Back-Up Bidder, if any, and the details of the Successful Bid and Back-Up Bid, if any. Within three (3) business day of the conclusion of the Auction, the Debtors will serve written notice of the results of the Auction to all Qualified Bidders, the Committee, the holders of secured claims against the Property, if any, and all other parties who have timely elected to receive notices related to the sale process. The determination of the Successful Bid and Back-Up Bid by the Debtors, in consultation with the Committee, at the conclusion of the Auction, shall be final, subject to approval by the Court. The Debtors' selection of and presentation to the Court of the Successful Bid and, if applicable, the Back-Up Bid will not constitute the Debtors' acceptance of either of such Bids, which acceptance will only occur upon the approval of such bids by the Court at the Sale Hearing.
- k. Sale Hearing. The Debtors will file a Notice of Completed Auction and seek a Sale Hearing at the earliest date and time convenient to the Court, the Debtors and the Successful Bidder to, among other things, approve and authorize the sale transaction to the Successful Bidder on terms and conditions determined in accordance with the Bid Procedures. The Debtors reserve the right, in consultation with the Committee, to seek to continue or reschedule the Sale Hearing to a later date.
 - (i) If the Debtors receive one or more additional Qualified Bid(s), then, at the Sale Hearing, the Debtors will seek approval of the Successful Bid, and, at the Debtors' election, the next highest or otherwise best Qualified Bid (the "Back-Up Bid" and, such bidder, the "Back-Up Bidder").
 - (ii) The Debtors will sell the Property to the applicable Successful Bidder pursuant to the terms of the Successful Bid (or, under certain circumstances described herein, the Back-Up Bidder) upon the approval of such Successful Bid (or Back-Up Bid if applicable) by the Court at the Sale Hearing.
 - (iii) The Debtors may, after consultation with the Committee, seek authorization to pay the broker(s) of the Successful Bidder(s) (the "Successful Bidder's Broker"), if the Successful Bidder is not the Proposed Buyer, a commission (the "Commission") upon the closing of the Sale to the Successful Bidder(s). The Debtors will pay the Commission from the proceeds of the Sale. Any proposed Commission must be disclosed by a Qualified Bidder in its Qualified Bid prior to the Bid Deadline.
- l. Closing with Back-Up Bidders. Following Court approval of the Sale to the Successful Bidder, if the Successful Bidder fails to consummate the Sale for any reason, then the Back-Up Bid will be deemed to be the Successful Bid and the Debtors will be authorized, but not directed, to effectuate

a Sale to the Back-Up Bidder subject to the terms of the Back-Up Bid of such Back-Up Bidder without further order of the Court. The Back-Up Bid shall remain open until the earlier of (i) 45 days following the Planned Closing Date or (ii) the consummation of the Sale to the Successful Bidder (the “Back-Up Bid Expiration Date”). Any provision in the Back-Up Bid conditioning such bid on a closing prior to the Back-Up Bid Expiration Date shall be void. All the Qualified Bids other than the Successful Bid and the Back-Up Bid shall be deemed rejected by the Debtors on and as of the date of approval of the Successful Bid and the Back-Up Bid by the Court. The Debtor, at its sole discretion, may elect to extend the Planned Closing Date and Back-Up Bid Expiration Date with the consent of the Successful Bidder and the Back-Up Bidder, as applicable.

- m. Failure to Close. If the Successful Bidder or Back-Up Bidder, as applicable, fails to consummate the transaction in accordance with the terms of the applicable agreement executed by the Successful Bidder or Back-Up Bidder, except for the Debtor’s default or inability to close, during the Bid Lifetime, the Debtors shall: (i) solely to the extent provided for in the applicable purchase agreement, retain the Successful Bidder’s or Back-Up Bidder’s Deposit; (ii) solely to the extent provided for in the applicable purchase agreement, maintain the right to pursue all available remedies, whether legal or equitable; and (iii) if applicable, be free to consummate the proposed transaction with the Back-Up Bidder at the Back-Up Bid, without the need for an additional hearing or Order of the Court.
- n. Deposits. The Deposit of any Back-Up Bidder shall be retained by the Debtors until the Back-Up Bid Expiration Date and returned to the Back-Up Bidder within five (5) Business Days thereafter or, if the Back-Up Bid becomes the Successful Bid, shall be applied to the Purchase Price to be paid by the Back-Up Bidder in accordance with the terms of the Back-Up Bid. The Deposits of Qualified Bidders not selected as either the Successful Bidder or Back-Up Bidder shall be returned to such bidders within five (5) Business Days of the date of the selection of the Successful Bidder and the Back-Up Bidder. The Deposit of the Successful Bidder will be dealt with in accordance with the terms of the Successful Bid.

**FIRST AMENDMENT
TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this “**Amendment**”) is dated as of 8/27/2025 (the “**First Amendment Effective Date**”) by and between **WINDSCAPE APARTMENTS, LLC**, a Delaware limited liability company (“**Seller**”), and **TURO PARTNERS, LLC**, a California limited liability company (“**Buyer**”). Capitalized terms used herein without further definition shall have the definition given them in the Agreement (as defined below). Capitalized terms used herein without further definition shall have the definition given them in the Agreement (as defined below).

RECITALS

A. Buyer and Seller entered into that certain Purchase and Sale Agreement dated as of July 21, 2025 (the “**Agreement**”) with respect to certain real property and improvements located at 4950, 4960, 4970 Allison Parkway, Vacaville, California (as more particularly described in the Agreement, the “**Property**”). All capitalized and undefined terms used in this Amendment shall have the meanings given to them in the Agreement.

B. The Agreement remains in full force and effect and Buyer has fully approved the Property as required by the Agreement, subject to the terms of this First Amendment.

C. Buyer and Seller have mutually agreed to modify the Agreement, all as more particularly set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing, and of the conditions, terms, covenants, and agreements set forth herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree that the Agreement is amended as follows:

1. **Purchase Price Reduction.** Seller agrees to reduce the Purchase Price by One Hundred Twenty-Five Thousand Dollars (\$125,000) to Seven Million Three Hundred Thousand Dollars (\$7,300,000).

2. **Irrevocable and Unconditional Approval of Property.** Buyer hereby irrevocably and unconditionally waives any and all contingencies or conditions to Buyer’s obligation to close Buyer’s purchase of the Property as set forth in the Agreement based upon the legal, physical, title, financial or other condition of the Property or Buyer’s objection thereto. Such physical, title, financial or other condition includes, but is not limited to, all matters or conditions pertaining to the physical, structural, electrical, mechanical, soil, drainage, environmental, economic, tenancy, title, zoning, land use and other governmental compliance matters and any other conditions whatsoever respecting the Property (the “**Property Condition**”).

In connection with the above, Buyer agrees that, with respect to the Property Condition, subject only to the express terms of the Agreement (a) Buyer has independently sought all information, counsel, and advice that Buyer requires in connection with the title condition of the Property and Buyer’s ability to secure the Title Policy in the form desired, and (b) Seller has delivered Due Diligence Items as required by the Agreement to Buyer without representation or warranty whatsoever or any obligation of Seller to have previously reviewed, corrected, refined or updated such Due Diligence Items, it being Buyer’s sole obligation to do all such things and independently and fully verify and develop Buyer’s own evaluation to reach an informed decision regarding the Property Condition and Buyer’s approval of same.

In addition, Buyer attaches the Designated Contract Chart as **ATTACHMENT 1**, hereto, to indicate which Contracts Buyer will assume, as required by the Agreement.

3. **Deposit.** The parties hereby agree that the Deposit is, as of the First Amendment Effective Date, fully nonrefundable to Buyer except as otherwise expressly provided in the Agreement. Buyer shall also deposit an additional deposit equal to Seven Hundred Thousand Dollars (\$700,000) (the “**Additional Deposit**”) no later than one (1) day after the First Amendment Effective Date, and the Additional Deposit, together with any interest accrued thereon while in escrow, shall be included in the definition of the “**Deposit**” as provided in the Agreement, and such Deposit thereafter shall be fully non-refundable, subject only to the terms and conditions of the Agreement. Notwithstanding any provision in the Agreement to the contrary, if Buyer fails to timely make the Additional Deposit as provided herein, Seller may elect to terminate the Agreement, in which event the initial Deposit shall remain non-refundable to Buyer and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of the Agreement.

4. **Closing Date.** The language in Section 6(b) of the Agreement is hereby modified as shown in the following:

(b) **Closing.** The closing of the Transaction pursuant to this Agreement (the “**Closing**”) shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of Escrow Holder on the date that is ~~the earlier of either~~ (i) if no Objection (as defined in the Sale Procedures Order) to the Sale is filed, 5 days after the entry of a Sale Order by the Bankruptcy Court, or (ii) ~~if an eObjection is filed to the Sale is filed~~ in accordance with the Sale Procedures Order, thirty (30) days after the entry of a Sale Order by the Bankruptcy Court, but in no event (in the case of either subclause (i) or (ii)) later than 120 days following the Effective Date, (the “**Scheduled Closing Date**”); provided further that Seller shall be entitled to an extension of the Closing Date (not to exceed thirty (30) days in the aggregate) for the purpose of obtaining the Sale Order.

5. **Full Force and Effect.** Except as modified by this Amendment, the terms and provisions of the Agreement are hereby ratified and confirmed and are and shall remain in full force and effect. Should any inconsistency arise between this Amendment and the Agreement as to the specific matters which are the subject of this Amendment, the terms and conditions of this Amendment shall control. This Amendment shall be construed to be a part of the Agreement and shall be deemed incorporated in the Agreement by this reference.

6. **Counterparts; Electronic Copy.** This Amendment may be executed in two (2) or more counterparts, each of which shall be an original, and all of which shall constitute one original of this Amendment. Signatures to this Amendment transmitted by email shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original to this Amendment with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Amendment, it being expressly agreed that each party to this Amendment shall be bound by its own emailed signature and shall accept the emailed signature of the other party to this Amendment.

7. **Entire Agreement.** The Agreement, as amended by this Amendment, constitutes the full and complete agreement and understanding between the parties hereto and shall supercede all prior communications, representations, understandings or agreements, if any, whether oral or written, concerning the subject matter contained in the Agreement, as so amended, and no provision of the Agreement, as so amended, may be modified, amended, waived or discharged, in whole or in part, except by a written instrument executed by all of the parties hereto.

8. **Governing Law.** This Amendment shall be governed by the laws of the State set forth in the Agreement.

9. **Authority.** Each signatory of this Amendment represents hereby that he or she has the authority to execute and deliver the same on behalf of the party hereto for which such signatory is acting.

DS
Seller's Initials BS Buyer's Initials WCM

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

SELLER:

WINDSCAPE APARTMENTS, LLC,
a Delaware limited liability company

DocuSigned by:
By: Bradley D. Sharp
Name: Bradley D. Sharp
Title: Chief Restructuring Officer

BUYER:

TURO PARTNERS, LLC,
a California limited liability company

By: William C. Marks
Name: William C. Marks
Title: Principal

ATTACHMENT 1**DESIGNATED CONTRACT CHART**

Designated Contract / Description / Unit	Expiration Date	Contracted Counterparty	Contracted Counterparty Address
4950 Allison Parkway Suite A	7/31/2029	John Cotta and Alex Hernandez	6361 W. Acampo Rd., Sacramento, CA 95831
4950 Allison Parkway Suite B/C	3/15/2027	Calnet	4101 Wild Chaparral, Silver Springs, CA 95682
4950 Allison Parkway Suite D	2/28/2027	Cennox Project and Security Solutions, LLC	1015 Windward Ridge Pkwy, Alpharetta, GA 30005
4960 Allison Parkway Suite A, L, B, K, E, H	4/14/2026	J3C Group, LLC and Steven Brown	4960 Allison Parkway Suite B & K, Vacaville CA 95688
4960 Allison Parkway Suite C, J	12/31/2026	Tiger Tile and Stone, Inc and Moises Gomez	831 Finch Way, Fairfield, CA 94533
4970 Allison Parkway Suite A	9/30/2025	Calson Management, LLC	355 Main Street, Vacaville, CA 95688
4970 Allison Parkway Suite B	11/30/2027	Armando Hernandez Engineering	972 Mimoso Dr., Vacaville, CA 95687
4970 Allison Parkway Suite C	5/31/2028	IES Communications, LLC	2801 S. Fair Lane, Tempe, AZ 85282
4970 Allison Parkway Suite F	1/31/2026	JL Tile (John Long)	4970 Allison Parkway Suite F, Vacaville CA 95688

Note: Unless otherwise noted, it is assumed that there are no landlord-associated cure costs with the assumption of these contracts.

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Exhibit 2
(Overbid and Auction Procedures)

OVERBID AND AUCTION PROCEDURES

Pursuant to the *Order Establishing Procedures for Real Property Sales* [Dkt. No. 971] (the “Sale Procedures Order” approving the “Sale Procedures”)¹ entered on March 5, 2025, Seller Windscape Apartments, LLC and Allison Parkway Partners, LLC (the “Proposed Buyer”) entered that certain Purchase and Sale Agreement and Joint Escrow Instructions dated July 21, 2025 (the “Purchase and Sale Agreement”) to sell 4950, 4960, and 4970 Allison Parkway, Vacaville, CA 95688 (the “Property”). A copy of the Purchase and Sale Agreement is attached to the Sale Notice (as defined in the Sales Procedures Order and to which these Auction Procedures are attached as Exhibit 2) as Exhibit 1 to the Proposed Order.

On or about September 12, 2024, Seller and certain affiliates of Seller (collectively, the “Debtors”) filed voluntary petitions for bankruptcy relief under Chapter 11 of the Bankruptcy Code, jointly administered under Case No. 24-10545 (the “Bankruptcy Case”) in the United States Bankruptcy Court for the Northern District of California, Santa Rosa Division (the “Bankruptcy Court”).

In accordance with the approved Sale Procedures, the following bid procedures shall apply to the auction to be conducted in the event that the Debtors receive any Qualified Bids (as defined below):

- a. Provisions Governing Qualifications of Bidders. Unless otherwise ordered by the Court, in order to participate in the bidding process for the Property, prior to the Bid Deadline (as defined below), each entity who wishes to participate in the bidding process for the Property (a “Potential Bidder”) must do so in writing and deliver the following, **by electronic mail**, to Greg Gotthardt, FTI Consulting (“FTI”) at greg.gotthardt@fticonsulting.com and Larissa Gotguelf at larissa.gotguelf@fticonsulting.com:
 - (i) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors to a Potential Bidder) in the form attached hereto as **Exhibit B**;
 - (ii) sufficient information, as determined by the Debtors (in consultation with the Official Committee of Unsecured Creditors appointed in these chapter 11 cases (the “Committee”)) to demonstrate proof of financial wherewithal, including:
 - (A) Disclosure of Identity. Fully disclose the identity of each Potential Bidder, including any principal or representative that will be bidding for the Property on behalf of the Potential Bidder or otherwise participating in connection with such bid, and the complete terms of any such participation, as well as any of Debtors’ creditors or Insiders (as defined under 11 U.S.C. § 101) associated with the Potential Bidder;
 - (B) Proof of Financial Wherewithal. Demonstration (to the reasonable satisfaction of the Debtors, in consultation with the Committee) of sufficient financial wherewithal to be able to close on a purchase of the Property, which may include:
 - (1) current audited financial statements and latest unaudited financial statements of the potential bidder, or, if the potential bidder is an entity formed for the purpose of acquiring the Property, current audited

¹ Capitalized terms not otherwise defined herein shall have the meaning given to them in the Sale Procedures Order, a copy of which is attached hereto as **Exhibit A**.

financial statements and latest unaudited financial statements of the equity holders of the potential bidder who will guarantee the obligations of the potential bidder;

- (2) current financial bank statements, screenshot(s) of bank account balance(s), a letter from the bank of the potential bidder indicating the availability of the funds, including the immediate availability of the 10% deposit;
 - (3) written evidence of a firm, irrevocable commitment for financing; and/or
 - (4) such other form of financial disclosure and credit-quality support or enhancement that will allow the Debtors and their financial advisors to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate the Sale; and
- (iii) if the Potential Bidder is represented by a broker, the broker's retention agreement.

A Potential Bidder that has executed a confidentiality agreement and has otherwise complied with the requirements described above, and that the Debtors determine in their reasonable business judgment, after consultation with their counsel, financial and other advisors, and the Committee, is likely (based on availability of financing, experience and other considerations) to be able to consummate the sale of the Property (the "Sale"), will be deemed a "Qualified Bidder." The Debtors shall notify a Potential Bidder if it qualifies as a Qualified Bidder prior to the Auction, as defined below.

For the sake of clarity, the fact that a bidder has been deemed a "Qualified Bidder" does not, by itself, entitle such bidder to participate at the Auction. In order to participate in the Auction or any other overbidding process pursuant to these Bid Procedures, a Qualified Bidder must also submit, by the Bid Deadline, a Bid that is determined to be a Qualified Bid, as defined in, and in accordance with, these Bid Procedures.

- b. Bid Deadline. A Qualified Bidder that desires to make a Bid (as defined below) will deliver written copies of its Bid **by electronic mail** to the Debtors' representative at the address set forth in (a) above, so as to be received not later than **October 8, 2025, at 4:00 p.m. (PT)** (as may be extended as set forth herein, the "Bid Deadline"). As soon as practicable after receipt of a Bid, but in no event more than 24 hours after receipt of a Bid, FTI shall provide copies of the Bid and all related documents to counsel for the Debtors and the Committee. The Debtors, in consultation with the Committee, may extend the Bid Deadline to address any inadequacies in an otherwise sufficient Bid submitted by the Bid Deadline.
- c. Provisions Governing Qualified Bids. An offer, solicitation, or proposal (each, a "Bid") that is submitted in writing by a Qualified Bidder and satisfies each of the following requirements, as determined by the Debtors, in their reasonable business judgment and in consultation with the Committee, shall constitute a "Qualified Bid":
 - (i) *Property*. Each Bid must state that the applicable Qualified Bidder offers to purchase the Property, upon the terms and conditions substantially as set forth in the form of the Purchase and Sale Agreement, and any addenda thereto, including without limitation, with respect to certainty and timing of closing, or pursuant to

an alternative structure, or upon alternative terms and conditions that the Debtors, in consultation with the Committee, reasonably determine are no less favorable than the terms and conditions of the Purchase and Sale Agreement. Each Bid must specifically identify the particular property or properties to which it relates.

- (ii) *Purchase Price.* Each Bid must clearly set forth the purchase price to be paid (the “Bid Price”) which shall include: (a) cash in an amount not less than any minimum bid amount previously identified by the Debtors for the Property or relevant portion thereof (the “Cash Consideration”); (b) all amounts that are necessary to cure any defaults owed under any contract or unexpired lease that the Qualified Bidder identifies in the Bid for assumption and assignment (the “Cure Amounts”); and (c) all other estimated prorations and other expenses to be paid by Buyer at closing.
- (iii) *Minimum Bid.* Overbids must be accompanied by a good faith deposit of 10% of the Bid Price sent to Commonwealth Land Title to the escrow identified on the Sale Notice.
- (iv) *Planned Closing Date.* Each Bid must require that the Sale close on the date assigned in the Purchase and Sale Agreement, but in no event later than the “Scheduled Closing Date” in the Purchase and Sale Agreement (the “Planned Closing Date”).
- (v) *Binding and Irrevocable.* Each Bid must be unconditional and irrevocable, subject only to Bankruptcy Court approval, and include a letter, signed by an authorized representative of the Qualified Bidder who has authority to bind the Qualified Bidder, stating that the Qualified Bidder’s Bid is irrevocable until the Court approves the selection of the Successful Bidder (as defined below) and the Back-Up Bidder (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder or the Back-Up Bidder, its offer shall remain irrevocable until the earlier of (i) closing of the Sale to the Successful Bidder, and (ii) (x) with respect to the Successful Bidder only, the Planned Closing Date, subject to further extensions as may be agreed to pursuant to the applicable purchase agreement, and (y) with respect to the Back-Up Bidder only, 45 days following the Planned Closing Date (collectively, the “Bid Lifetime”). Failure to close during the Bid Lifetime will result in forfeiture of the applicable bidder’s deposit.
- (vi) *Marked Agreement.* Each Bid must include a duly authorized and executed Purchase and Sale Agreement, and any addenda thereto, which agreement shall include, among other things, the Bid Price for the Property expressed in U.S. Dollars, which must be accompanied by all exhibits and schedules thereto, as well as such additional ancillary agreements as may be required by the Qualified Bidder, with all exhibits and schedules thereto (or term sheets that describe the material terms and provisions of such agreements), as well as copies of such materials marked to show those amendments and modifications to the Purchase and Sale Agreement (collectively, a “Marked Agreement”), and the proposed order for approval of the Sale by the Court proposed by the Qualified Bidder substantially in the form attached as Exhibit 1 to the Sale Notice. To be deemed a Qualified Bid, a Bid may not contain additional termination rights, covenants, financing or due diligence contingencies, shareholder, board of director or other internal approval contingencies, or closing conditions, other than as are included in the Purchase and Sale Agreement (it being agreed and understood that such

Bid shall modify the Purchase and Sale Agreement as needed to comply in all respects with the Sale Procedures Order).

- (vii) *As-Is, Where-Is.* Each Bid must include an acknowledgement and representation that the Qualified Bidder: (a) has had an opportunity to conduct any and all required due diligence regarding the Property prior to making its offer; (b) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; (c) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Property or the completeness of any information provided in connection therewith or the Auction (as defined below), except as expressly stated in the Marked Agreement; and (d) is not entitled to any expense reimbursement or break-up fee in connection with its bid unless expressly agreed in writing to the contrary by the Debtors, in consultation with the Committee, prior to the Bid Deadline.
- (viii) *Affirmative Statement.* Each Bid shall be accompanied by an affirmative statement that: (i) the Qualified Bidder submitting such Bid has and will continue to comply with the Sale Procedures Order; and (ii) the Qualified Bidder submitting such Bid waives any substantial contribution (administrative expense) claims under section 503(b) of the Bankruptcy Code related to the bidding for the Debtors' assets or otherwise participating in the Auction, except as expressly agreed to the contrary by the Debtors, in consultation with the Committee, prior to the Bid Deadline.
- (ix) *Authorization.* Each Bid must include evidence, in form and substance reasonably satisfactory to the Debtors, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery, and closing of the transactions contemplated by the Marked Agreement and the Sale. The Bid must also designate at least one individual who will authorized to act on behalf of the Qualified Bidder at the Auction.
- (x) *Deposit.* Each Bid must be accompanied by a cash deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check, or such other form acceptable to the Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to ten percent (10%) of the Bid Price, which shall be held by Commonwealth Land Title, to be dealt with as provided for under "Deposits" herein.
- (xi) *Executory Contracts.* Each Bid must identify with particularity which executory contracts or unexpired leases the Qualified Bidder wishes to assume, include an acknowledgment and representation that the Qualified Bidder will assume the Debtors' obligations under such executory contracts and unexpired leases, including all Cure Amounts, and identify with particularity any executory contract or unexpired lease the assumption and assignment of which is a condition to closing. It is expected that the Qualified Bidder will assume at least as many of the executory contracts and unexpired leases as designated in the Purchase and Sale Agreement.
- (xii) *Adequate Assurance.* Each Bid must include evidence of the Qualified Bidder's ability to comply with section 365 of the Bankruptcy Code (to the extent applicable), including providing adequate assurance of such Qualified Bidder's

ability to perform in the future under the contracts and leases proposed in its Bid to be assumed by the Debtors and assigned to the Qualified Bidder, in a form that will permit the immediate dissemination of such evidence to the counterparties to such contracts and leases.

- (xiii) *Consent to Jurisdiction.* Each Bid must state that the Qualified Bidder consents to the jurisdiction of the Bankruptcy Court.
- (xiv) *Additional Information.* Each Bid must contain any other information reasonably requested by the Debtors.
- (xv) *Bid Deadline.* Each Bid must be received by the Bid Deadline.

The Debtors will determine, in their reasonable business judgment, and in consultation with the Committee, whether to entertain Bids for the Property that do not conform to one or more of the requirements specified herein and deem such bids to be Qualified Bids. The Debtors reserve the right, in consultation with the Committee, to continue to negotiate the terms of any Qualified Bid with the applicable Qualified Bidder after the Bid Deadline and prior to the Auction.

- d. [Intentionally Left Blank]
- e. Evaluation of Competing Bids. A Qualified Bid, and the determination of the highest or otherwise best Qualified Bid(s), will be valued based upon several factors including, without limitation, items such as the Purchase Price and the net value (including assumed liabilities and the other obligations to be performed or assumed by the Qualified Bidder) provided by such Bid, the claims likely to be created by such Bid in relation to other Bids, the counterparties to the transactions, the proposed revisions to the relevant transaction documents, other factors affecting the speed, certainty, and value of the transactions (including any regulatory approvals, if any, required to close the transactions), the transition services required from the Debtors post-closing and any related restructuring costs, and the likelihood and timing of consummating such transactions, each as determined by the Debtors, in consultation with the Committee.
- f. No/Insufficient Qualified Bids. If the Debtors do not receive any Qualified Bids, the Auction shall be cancelled. The Debtors shall report the same to the Court and request the immediate entry of the Sale Order approving the Purchase and Sale Agreement with the Proposed Buyer.
- g. Auction Process. If the Debtors receive any Qualified Bids, the Debtors will file and serve notice (the “Auction Notice”) of the time and date of the auction (the “Auction”) on, all overbidders, any parties filing objections prior to the Objection Deadline, and the Notice Parties (as defined in the Sale Procedures Order). The Auction shall be transcribed or recorded on video and shall be conducted by virtual meeting which Auction may be cancelled or adjourned by the Debtors, in consultation with the Committee. The Auction shall run in accordance with the following procedures:
 - (i) The Debtors, the Proposed Buyer, the Committee, and any Qualified Bidder that has timely submitted a Qualified Bid, and each of their respective advisors, shall be permitted to attend the Auction, in person or by virtual meeting, whichever is appropriate at that time.
 - (ii) Only the Proposed Buyer and the Qualified Bidders who timely submitted Qualified Bids will be entitled to make any subsequent Bids at the Auction.

- (iii) If the Qualified Bid of a Qualified Bidder relates only to a portion of the Property, the Debtors will have discretion, in consultation with the Committee, to consider whether to permit such Qualified Bidder to make subsequent Bids at the Auction for other or more portions of the Property than those that were in the Qualified Bidder's original Qualified Bid.
- (iv) The Debtors reserve the right, in consultation with the Committee, to conduct one or more Auctions for the Property.
- (v) Each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the Sale transactions.
- (vi) At least two (2) days prior to the Auction, each Qualified Bidder who has timely submitted a Qualified Bid must inform the Debtors whether it intends to participate in the Auction; provided that in the event a Qualified Bidder elects not to participate in the Auction, such Qualified Bidder's Qualified Bid shall nevertheless remain fully enforceable against such Qualified Bidder for the Bid Lifetime. At least one (1) day prior to the Auction, the Debtors will provide to all Qualified Bidders who have timely submitted a Qualified Bid and timely informed the Debtors that they intend to participate in the Auction a copy of the Qualified Bid or combination of Qualified Bids that the Debtors believe, in their reasonable business judgment, in consultation with their counsel, financial advisors, and other advisors, and the Committee, is the highest or otherwise best offer (the "Starting Bid"), along with the starting minimum bid increments for each lot to be offered for sale at Auction (the "Starting Bid Notice"). The starting and subsequent minimum bid increments shall be \$146,000.
- (vii) All Qualified Bidders who have timely submitted Qualified Bids will be entitled to be present for all Subsequent Bids (as defined below) at the Auction with the understanding that the true identity of each Qualified Bidder at the Auction will be fully disclosed to all other Qualified Bidders at the Auction, and that all material terms of each Subsequent Bid will be fully disclosed to all other bidders throughout the entire Auction; provided that all Qualified Bidders wishing to participate in the Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the Auction in person.
- (viii) The Debtors, after consultation with the Committee and each of their respective advisors, may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids or requiring that Subsequent Bids be the Qualified Bidders' final and best bids) for conducting the Auction, provided that such rules are (i) not inconsistent with these Bid Procedures, the Sale Procedures Order, the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the "Bankruptcy Local Rules"), the Bankruptcy Code, or any order of the Court entered in connection herewith, and (ii) disclosed to each participating Qualified Bidder at the Auction.
- (ix) Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by a Qualified Bidder that (i) improves upon such Qualified Bidder's immediately prior Qualified Bid (a "Subsequent Bid"), and (ii) the Debtors determine, in consultation with their advisors and the Committee, that such Subsequent Bid is (A) for the first round, a higher or otherwise better offer than the Starting Bid, and (B) for subsequent rounds, a higher or otherwise better offer

than the Leading Bid (as defined below). Each incremental bid at the Auction shall provide net value to the estates over the Starting Bid or the Leading Bid, as the case may be, of at least the bid increment(s) for the lot(s) bid on as set forth in the Starting Bid Notice, provided that the Debtors shall retain the right, in consultation with their counsel, financial advisors, and other advisors, and the Committee, to modify the increment requirements at any time at or prior to the Auction after informing each participating Qualified Bidder. After the first round of bidding and between each subsequent round of bidding, the Debtors and the Committee shall announce the bid or combination of bids (and the value of such bid(s)) that they believe, in consultation with each of their respective advisors to be the highest or otherwise better offer (the "Leading Bid"). A round of bidding will conclude after each participating Qualified Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

- (x) Each Bid made at the Auction shall be irrevocable until the Court approves the selection of the Successful Bidder (as defined below) and the Back-Up Bidder (as defined below), provided that if a Bid is selected as the Successful Bid or the Back-Up Bid (as defined below), it shall remain irrevocable for the Bid Lifetime. Failure to close during the Bid Lifetime will result in forfeiture of the applicable bidder's deposit.
- h. Reservation of Rights. Except as otherwise provided in the Bid Procedures or the Sale Procedures Order, the Debtors, after consultation with their advisors and the Committee: (i) may determine after each round of bidding at the Auction which Qualified Bid, if any, is the highest or otherwise best offer and the value thereof; (ii) may reject, at any time, any Bid that the Debtors determine, in consultation with the Committee, is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, the Bid Procedures, or the terms and conditions of the Sale, or (c) contrary to the best interests of the Debtors, their estates, and stakeholders; (iii) except as otherwise specifically set forth herein, may modify the Bid Procedures or impose, at or prior to the Auction, additional customary terms and conditions on the Sale of the Property; (iv) may extend the deadlines set forth herein, including, without limitation, the Bid Deadline; and (v) may continue or cancel the Auction without further notice.
- i. Selection of Successful Bid. Prior to the conclusion of the Auction, the Debtors, in consultation with the Committee and their respective advisors, will (i) review each Qualified Bid and evaluate each Qualified Bid as set forth in the section titled "Evaluation of Competing Bids" herein, (ii) identify the highest or otherwise best offer or offers for the Property or portions thereof received at the Auction (one or more such Bids, collectively the "Successful Bid" and the bidder(s) making such Bid, collectively, the "Successful Bidder"), and (iii) communicate to the Qualified Bidders the identity of the Successful Bidder, the Back-Up Bidder, if any, and the details of the Successful Bid and Back-Up Bid, if any. Within three (3) business day of the conclusion of the Auction, the Debtors will serve written notice of the results of the Auction to all Qualified Bidders, the Committee, the holders of secured claims against the Property, if any, and all other parties who have timely elected to receive notices related to the sale process. The determination of the Successful Bid and Back-Up Bid by the Debtors, in consultation with the Committee, at the conclusion of the Auction, shall be final, subject to approval by the Court. The Debtors' selection of and presentation to the Court of the Successful Bid and, if applicable, the Back-Up Bid will not constitute the Debtors' acceptance of either of such Bids, which acceptance will only occur upon the approval of such bids by the Court at the Sale Hearing.
- j. Sale Hearing. The Debtors will file a Notice of Completed Auction and seek a Sale Hearing at the earliest date and time convenient to the Court, the Debtors and the Successful Bidder

to, among other things, approve and authorize the sale transaction to the Successful Bidder on terms and conditions determined in accordance with the Bid Procedures. The Debtors reserve the right, in consultation with the Committee, to seek to continue or reschedule the Sale Hearing to a later date.

- (i) If the Debtors receive one or more additional Qualified Bid(s), then, at the Sale Hearing, the Debtors will seek approval of the Successful Bid, and, at the Debtors' election, the next highest or otherwise best Qualified Bid (the "Back-Up Bid") and, such bidder, the "Back-Up Bidder").
 - (ii) The Debtors will sell the Property to the applicable Successful Bidder pursuant to the terms of the Successful Bid (or, under certain circumstances described herein, the Back-Up Bidder) upon the approval of such Successful Bid (or Back-Up Bid if applicable) by the Court at the Sale Hearing.
 - (iii) The Debtors may, after consultation with the Committee, seek authorization to pay the broker(s) of the Successful Bidder(s) (the "Successful Bidder's Broker"), if the Successful Bidder is not the Proposed Buyer, a commission (the "Commission") upon the closing of the Sale to the Successful Bidder(s). The Debtors will pay the Commission from the proceeds of the Sale. Any proposed Commission must be disclosed by a Qualified Bidder in its Qualified Bid prior to the Bid Deadline.
- k. Closing with Back-Up Bidders. Following Court approval of the Sale to the Successful Bidder, if the Successful Bidder fails to consummate the Sale for any reason, then the Back-Up Bid will be deemed to be the Successful Bid and the Debtors will be authorized, but not directed, to effectuate a Sale to the Back-Up Bidder subject to the terms of the Back-Up Bid of such Back-Up Bidder without further order of the Court. The Back-Up Bid shall remain open until the earlier of (i) 45 days following the Planned Closing Date or (ii) the consummation of the Sale to the Successful Bidder (the "Back-Up Bid Expiration Date"). Any provision in the Back-Up Bid conditioning such bid on a closing prior to the Back-Up Bid Expiration Date shall be void. All the Qualified Bids other than the Successful Bid and the Back-Up Bid shall be deemed rejected by the Debtors on and as of the date of approval of the Successful Bid and the Back-Up Bid by the Court. The Debtor, at its sole discretion, may elect to extend the Planned Closing Date and Back-Up Bid Expiration Date with the consent of the Successful Bidder and the Back-Up Bidder, as applicable.
- l. Failure to Close. If the Successful Bidder or Back-Up Bidder, as applicable, fails to consummate the transaction in accordance with the terms of the applicable agreement executed by the Successful Bidder or Back-Up Bidder, except for the Debtor's default or inability to close, during the Bid Lifetime, the Debtors shall: (i) solely to the extent provided for in the applicable purchase agreement, retain the Successful Bidder's or Back-Up Bidder's Deposit; (ii) solely to the extent provided for in the applicable purchase agreement, maintain the right to pursue all available remedies, whether legal or equitable; and (iii) if applicable, be free to consummate the proposed transaction with the Back-Up Bidder at the Back-Up Bid, without the need for an additional hearing or Order of the Court.
- m. Deposits. The Deposit of any Back-Up Bidder shall be retained by the Debtors until the Back-Up Bid Expiration Date and returned to the Back-Up Bidder within five (5) Business Days thereafter or, if the Back-Up Bid becomes the Successful Bid, shall be applied to the Purchase Price to be paid by the Back-Up Bidder in accordance with the terms of the Back-Up Bid. The Deposits of Qualified Bidders not selected as either the Successful Bidder or Back-Up Bidder shall be returned to such bidders within five (5) Business Days

of the date of the selection of the Successful Bidder and the Back-Up Bidder. The Deposit of the Successful Bidder will be dealt with in accordance with the terms of the Successful Bid.

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

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Exhibit A
(Sale Procedures Order)

KELLER BENVENUTTI KIM LLP
425 MARKET STREET, 26TH FLOOR
SAN FRANCISCO, CALIFORNIA 94105



KELLER BENVENUTTI KIM LLP

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San Francisco, California 94105

Telephone: (415) 496-6723

Facsimile: (650) 636-9251

The following constitutes the order of the Court.

Signed: March 5, 2025

Charles Novack
U.S. Bankruptcy Judge

Attorneys for the Debtors and

Debtors in Possession

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

SANTA ROSA DIVISION

In re:

LEFEVER MATTSON, a California
corporation, *et al.*,¹

Debtors.

Lead Case No. 24-10545 (CN)

(Jointly Administered)

Chapter 11

**ORDER ESTABLISHING OMNIBUS
PROCEDURES FOR REAL
PROPERTY SALES**

¹ The last four digits of LeFever Mattson's tax identification number are 7537. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>. The address for service on the Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621.



Upon consideration of the *Motion of Debtors to Establish Omnibus Procedures for Real Property Sales* [Dkt. No. 689] (the “Motion”),² filed by the above-captioned debtors and debtors in possession (the “Debtors”); the Court having reviewed the Motion and the Sharp Declaration; and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court (the “Hearing”); and the Court having found that (i) the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the “Bankruptcy Local Rules”); (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (iv) notice of the Motion and the Hearing was sufficient under the circumstances; and after due deliberation the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors; and good and sufficient cause having been shown;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth below.
2. The Sale Procedures are approved, and the Debtors are authorized, but not directed, to take any and all actions reasonably necessary or appropriate to implement those procedures. The Sale Procedures shall be limited to those Properties listed on the schedule attached hereto as Exhibit A.³ The Debtors may file, in their business judgement, a motion to approve the sale of any individual Property which they deem necessary and appropriate.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

³ The schedule of Properties attached to the Motion included those that are collateral (the “Socotra Properties”) for Socotra Capital, Inc.’s (“Socotra”) loans. Pursuant to an agreement between the Debtors and Socotra to resolve Socotra’s objections to the Motion by excluding the Socotra Properties from the Motion and this Order, and preliminarily address the Socotra Properties in an agreed upon cash collateral order, the Socotra Properties have been removed from the attached Exhibit A and this Order does not apply to any of the Socotra Properties.

3. These Sale Procedures do not apply to sales where the estimated net sale proceeds (purchase price minus Closing Costs) are less than the aggregate amount of claims secured by such property unless the Debtors first obtain in writing the permission of the applicable secured lender(s).

4. “Small Asset Sales” shall be defined as those sales with a sale price less than \$5 million.

5. “Large Asset Sales” shall be defined as those sales with a sale price equal to or greater than \$5 million.

6. The Small Asset Sale Procedures shall be as follows:

a. Contents of Sale Notice: Prior to any sale of a Property for which the Debtors, in consultation with the Committee, elect to seek approval through these Sale Procedures, the Debtors shall file with the Court a notice (the “Sale Notice”) that sets forth:

- i. The address and tax identification number of the Property proposed to be sold (the “Subject Property”);
- ii. The sale price;
- iii. The name(s) of the title holder of the Subject Property;
- iv. The name(s) of the holder of any and all liens or other interests in the Subject Property with the recording date and instrument number of such liens or interests, if any, listed immediately below the caption of the Sale Notice in compliance with Bankruptcy Local Rule 6004-1(a);
- v. The amount and nature of any known liens or other interests in the Subject Property, their proposed treatment, and the basis for any dispute thereof or any other ground asserted for selling free and clear thereof;
- vi. A brief summary of the marketing of the Subject Property that would support the Debtors’ representation that it was done in a fully commercially reasonable manner and the Debtors’ conclusion that the price and terms are reasonable and in the best interests of the Debtors’ bankruptcy estates according to their business judgment;
- vii. The name(s) proposed buyer(s) (the “Buyer”) and any known relationship to the Debtors;⁴

⁴ These Sale Procedures shall not apply if the proposed purchaser is an insider of the Debtors.

- viii. The provision(s) of section 363(f) that the Debtors submit authorize the sale free and clear of liens, a summary of the Debtors' evidence supporting such assertion, and each lien creditor(s)' name, recording date and instrument number for which the sale will be free and clear;
 - ix. The name of the Broker(s), the date of entry and docket number of the order approving the Broker's employment, any known connection to the Debtors, and their proposed compensation;
 - x. A schedule of any unexpired leases or executory contracts (collectively, the "Leases") associated with the Subject Property and their proposed treatment in the Sale including any cure amounts;
 - xi. A summary of the Buyer's evidence that it can provide adequate assurance of future performance and assumption of the Leases, if any;
 - xii. A summary of any other proposed closing payments, including but not limited to payment of the Broker's commission, FTI's advisory and transaction fee, transfer taxes, closing and escrow costs, recording costs and the Title Company's fees (collectively, the "Closing Costs");
 - xiii. The estimated net proceeds available to the estate upon conclusion of the Sale, after the satisfaction of any liens, and payment of the Closing Costs; and
 - xiv. The Objection Procedures (as described below).
- b. Filing and Service of Sale Notice: The Sale Notice shall be filed and served by email where available and by mail for those who have not consented to email service upon (i) the United State Trustee (the "U.S. Trustee"); (ii) counsel to the Committee; (iii) any and all holders of interests in the Subject Property, including interest holders in the applicable Debtor; (iv) counter-parties to the Leases; and (v) those persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties").
- c. Objection Procedures: Any objection to the proposed sale or the assumption of the Leases or request for hearing (the "Objection") must be served upon counsel for the Debtors and filed with the Court not more than twenty-one (21) calendar days after service of the Sale Notice unless the Sale Notice specifies a longer period or a shorter period is ordered by the Court (the "Objection Deadline").
- d. Overbids: There shall be no overbids. The commercially reasonable practice for properties of this price range is to contact all interested parties once an offer is received, notifying them of the offer and requesting overbids. Therefore, any agreed purchase price will already include any overbids.
- e. No Stalking Horse Procedures: There shall be no stalking horse procedures; however, the Debtors reserve the right to request such procedures should

they, in their sole discretion determine that a stalking horse procedure would benefit the estates.

- f. If No Objection: If the Objection Deadline passes without the filing of an Objection or any such response is withdrawn, the Debtors shall file a declaration attesting that no Objection was filed or served on the Debtors (the “Certificate of No Objection”) and the Debtors shall submit a proposed order substantially in the form attached to the Sale Notice as Exhibit 1 (the “Small Asset Sale Order”). The Debtors may proceed with closing the Sale of the Subject Property upon entry of the Small Asset Sale Order.
- g. Sale Hearing: If an Objection is filed prior to the Objection Deadline and not withdrawn, the Debtors will set a hearing (the “Sale Hearing”) giving no less than seven (7) days’ notice to (i) the Buyer; (ii) any party that filed an Objection; (iii) and the Notice Parties.

7. The Large Asset Sale Procedures shall be as follows:

- a. Contents of Sale Notice: Prior to any sale of a Property for which the Debtors elect to seek approval through these Sale Procedures, the Debtors shall file with the Court a notice (the “Sale Notice”) that sets forth:
- i. The address of the Property proposed to be sold (the “Subject Property”);
 - ii. The sale price;
 - iii. The name(s) of the title holder of the Subject Property;
 - iv. The name(s) of the holder of any liens or other interests in the Subject Property, if any, listed immediately below the caption of the Sale Notice in compliance with Bankruptcy Local Rule 6004-1(a);
 - v. The amount and nature of any known liens or other interests in the Subject Property, their proposed treatment, and the basis for any dispute thereof or any other ground asserted for selling free and clear thereof;
 - vi. A brief summary of the marketing of the Subject Property that would support the Debtors’ representation that it was done in a commercially reasonable manner and the Debtors’ conclusion that the price and terms are reasonable and in the best interests of the Debtors’ bankruptcy estates according to their business judgment;
 - vii. The name(s) of the proposed buyer(s) (the “Buyer”) and any known relationship to the Debtors;⁵

⁵ These Sale Procedures shall not apply if the proposed purchaser is an insider of the Debtors.

viii. The provision(s) of section 363(f) that the Debtors submit authorize the sale free and clear of liens and a summary of the Debtors' evidence supporting such assertion;

ix. The name of the Broker(s), the date of entry and docket number of the order approving the Broker's employment, any known connection to the Debtors, and their proposed compensation;

x. A schedule of any unexpired leases or executory contracts (collectively, the "Leases") associated with the Subject Property and their proposed treatment in the Sale including any cure amounts;

xi. A summary of the Buyer's evidence that it can provide adequate assurance of future performance of the Leases, if any;

xii. A summary of any other proposed closing payments, including but not limited to payment of the Closing Costs;

xiii. The estimated net proceeds available to the estate upon conclusion of the Sale, after the satisfaction of any liens, and payment of the Closing Costs; and

xiv. The Objection Procedures (as described below).

xv. The procedures for an auction (the "Auction") should qualified overbids be received prior to the Objection Deadline.

b. Filing and Service of Sale Notice: The Sale Notice shall be filed and served by email where available and by mail for those who have not consented to email service upon (i) the United State Trustee (the "U.S. Trustee"); (ii) counsel to the Committee; (iii) any holders of interests in the Subject Property; (iv) counter-parties to the Leases; and (v) those persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties").

c. Objection Procedures: Any objection to the proposed sale, the Auction procedures, or the assumption and assignment of the Leases or request for hearing (the "Objection") must be served upon counsel for the Debtors and filed with the Court not more than twenty-one (21) calendar days after service of the Sale Notice unless the Sale Notice specifies a longer period or a shorter period is ordered by the Court (the "Objection Deadline").

d. Overbids: The Sale Notice shall include solicitation for overbids which must be submitted in writing to FTI on or before the Objection Deadline. Overbids must be accompanied by a good faith deposit of 10% of the proposed sale price. Overbids must be for 2% on sales up to \$10,000,000 and for 1% for sales over \$10,000,000 plus Bid Protections (if any).

e. Stalking Horse Procedures: The Debtors may, in consultation with the Committee:

i. designate a bidder per Subject Property as a stalking horse bidder (the "Stalking Horse Bidder"), whose bid shall serve as the stalking horse bid (the "Stalking Horse Bid"), and

1 ii. execute, subject to higher or otherwise better offers, a purchase
2 agreement memorializing the proposed transaction set forth in the
3 Stalking Horse Bid (a "Stalking Horse Agreement"), which may
4 include:

- 5 1. a break-up fee of no more than 3% of the total cash
6 consideration payable under such Stalking Horse Agreement
7 (the "Break-Up Fee") plus
8 2. an expense reimbursement for the Stalking Horse Bidder's
9 actual out-of-pocket costs of up to \$100,000 (the "Expense
10 Reimbursement" and, together with the Break-Up Fee, the
11 "Bid Protections"); *provided, however*, that the aggregate
12 Bid Protections with respect to any Stalking Horse Bid shall
13 not exceed 5% of the total cash consideration offered in such
14 Stalking Horse Bid.

15 To the extent the Debtors designate more than one Stalking Horse Bidder
16 pursuant to these Bid Procedures, no two Stalking Horse Bidders will be
17 designated with respect to the same Subject Property. The Bid Protections
18 shall only be payable upon consummation of an alternative transaction. The
19 Debtors shall not pay a Break-Up Fee to any Stalking Horse Bidder on
20 account of the portion of the purchase price of such bid that is a credit bid,
21 assumption of liabilities, or other non-cash (or cash-equivalent)
22 consideration, nor provide any Bid Protections to an insider or affiliate of
23 the Debtors.

24 To the extent the Debtors, in consultation with the Committee, determine to
25 offer Bid Protections to any Stalking Horse Bidder, the Debtors shall
26 disclose such Bid Protections in a corresponding notice designating such
27 Stalking Horse Bidder (the "Stalking Horse Notice") to be filed and served
28 seven (7) calendar days prior to the filing of the corresponding Sale Notice.
A Stalking Horse Notice, if filed, shall also include:

- i. a copy of the Stalking Horse Agreement;
ii. an appropriate declaration in support of the proposed Bid
Protections (the "Bid Protections Declaration"); and
iii. a proposed form of order approving the Bid Protections (the
"Stalking Horse Order").

Any objection to (i) the Bid Protections set forth in the Stalking Horse
Notice, or (ii) the form of Stalking Horse Order (a "Stalking Horse
Objection"), shall be filed no later than ten (10) calendar days after the
filing of the Stalking Horse Notice; *provided, however*, any such
Stalking Horse Objection shall be limited to whether the Stalking Horse
Notice and Stalking Horse Order are consistent with the Bid Protections
provided for herein. If a timely Stalking Horse Objection is filed, the
Debtors are authorized to file a notice seeking an expedited hearing with
respect to the Stalking Horse Objection on not less than three (3)
calendar days' notice. Absent any timely Stalking Horse Objection, the
Court may enter the Stalking Horse Order without further hearing.

f. Auction: If a qualified overbid is received prior to the Objection Deadline,
the Debtors shall file and serve notice of the Auction to the Stalking Horse
Bidder, all overbidders, any parties filing objections by the Objection

Deadline, and the Notice Parties not less than seven (7) days prior to the date scheduled for the Auction.

g. If No Objection: If the Objection Deadline passes without the filing of an Objection or submission of an overbid or any such response is withdrawn, the Debtors shall file a Certificate of No Objection and the Debtors shall submit a proposed order substantially in the form attached to the Sale Notice as Exhibit 1 (the “Large Asset Sale Order”). The Debtors may proceed with closing the Sale of the Subject Property upon entry of the Large Asset Sale Order.

h. Sale Hearing: If an Objection is filed or an overbid is submitted prior to the Objection Deadline and not withdrawn, the Debtors will set a Sale Hearing giving no less than seven (7) days’ notice to (i) the Buyer; (ii) any party that filed an Objection or submitted an overbid; (iii) and the Notice Parties.

8. The forms of Sale Notices attached hereto as **Exhibits B and C** are approved.

9. The forms of Small Asset Sale Order and Large Asset Sale Order, each attached as Exhibit 1 to the respective form of Sale Notices, are approved.

10. The form of the Stalking Horse Notice attached hereto as **Exhibit D** is approved.

11. The form of the Stalking Horse Order attached as Exhibit 1 to the Stalking Horse Notice is approved.

12. To the extent that any counterparty to a Lease fails to timely object to the Sale of a Subject Property or the assumption and assignment of its Lease to the Buyer, such counterparty is deemed to have consented to the assignment of its Lease to the Buyer.

13. The Debtors shall pay directly from escrow the Closing Costs, any outstanding property taxes and any secured claims for which there are no objections pending at the time of closing.

14. These Sale Procedures shall not apply to sales of Property to “insiders” of the Debtors as that term is defined in section 101(31) of the Bankruptcy Code.

15. All parties’ rights under the Bankruptcy Code to object to a Sale Notice, their treatment thereunder and/or to an interest in the Properties, including the right to seek relief from the automatic stay from the Bankruptcy Court, are preserved. Secured creditors’ rights to credit bid pursuant to section 363(k) of the Bankruptcy Code are preserved and shall not be required to pay Closing Costs or Bid Protections unless there is a prior written agreement or order of the Court.

1 16. Federal Home Loan Mortgage Corporation reserves its right to object to any sales
2 procedures that it has not explicitly approved in advance.

3 17. This Order shall be effective immediately upon entry, and any stay of orders
4 provided for in Bankruptcy Rules 6004 or 6006 or any other provision of the Bankruptcy Code or
5 Bankruptcy Rules is expressly lifted. The Debtors are not subject to any stay in the
6 implementation, enforcement or realization of the relief granted in this Order, and may, in their
7 discretion and without further delay, take any action and perform any act authorized under this
8 Order.

9 18. Nothing contained in the Motion, the Sale Notice, or this Order is intended to be or
10 shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a
11 waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis
12 for, or validity of any claim against the Debtors; (iii) a waiver of any claims or causes of action
13 that may exist against any creditor or interest holder; or (iv) an approval, assumption, adoption, or
14 rejection of any agreement, contract, lease, program, or policy, other than those identified in the
15 Sale Notice, between the Debtors and any third party under section 365 of the Bankruptcy Code.

16 19. The Debtors are hereby authorized to take such actions and to execute such
17 documents as may be necessary to implement the relief granted by this Order.

18 20. The Debtors are authorized to make non-substantive changes to the documents
19 referenced herein without further order of the Court, including, without limitation, changes to
20 correct typographical and grammatical errors and to make conforming changes among the
21 aforementioned documents prior to their distribution.

22 21. The Court retains exclusive jurisdiction with respect to all matters arising from or
23 related to the implementation, interpretation, and enforcement of this Order.

24 ** END OF ORDER **

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Court Service List

All ECF Participants

Exhibit B
(Confidentiality Agreement)

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

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CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (the “Agreement”) is dated _____, 2025, and is made by and between LeFever Mattson, a California corporation, and 60 of its affiliates (collectively, the “Debtors”) that have each filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code (the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”), on the one hand, and _____ (the “Receiving Party”), on the other hand.

RECITALS

A. The Debtors and the Receiving Party are contemplating a business transaction (a “Transaction”) and intend to prevent the unauthorized disclosure of Confidential Information (as defined below).

B. Any such Transaction will be approved by the Bankruptcy Court prior to final consummation.

AGREEMENT

The parties, intending to be legally bound, agree as follows:

1. CONFIDENTIAL INFORMATION

(a) “Confidential Information” means all non-public information of the Debtors, their equity holders, owners, or affiliates disclosed or made available to the Receiving Party or any of its directors, officers, employees, agents, consultants, advisors, legal counsel or accountants (collectively, “Representatives”), regardless of the form or manner of disclosure, including:

(i) all information relating to the Debtors’ trade secrets (including all information that applicable law defines as “trade secrets”);

(ii) all information concerning services, equipment, products, product specifications, data, formulae, compositions, designs, sketches, photographs, graphs, drawings, samples, inventions, discoveries, ideas, know-how, past, current, and planned research and development, current and planned methods and processes, client and customer lists and files, current and anticipated client and customer requirements, vendor and supplier lists and files, price lists, market studies, business plans and business opportunities;

(iii) all information concerning computer hardware, software (including object and source codes), databases, algorithms, technologies, systems, structures and architectures;

(iv) all information concerning the Debtors' business and affairs, historical and current financial statements, financial projections and budgets, historical, current and projected sales, capital spending budgets, forecasts, strategic plans, marketing and advertising plans, publications, agreements, the names and backgrounds of key personnel, and personnel training techniques and materials;

(v) all offering memoranda, documents, data, financial statements, reports, forecasts, projections, surveys, diagrams, rent rolls, records, engineering reports, and other documents concerning property owned by Debtors disclosed to Receiving Party or its Representatives in connection with a potential Transaction.

(vi) all third-party confidential information lawfully in the possession of the Debtors; and

(vii) all notes, analyses, compilations, studies, summaries, interpretations and other material prepared by the Receiving Party or its Representatives to the extent they contain, are based on or refer to any information described in (i) through (v) above (collectively, "Notes").

(b) The term "Confidential Information" does not include any portions of such information:

(i) that become generally available to the public, other than as a result of disclosure by the Receiving Party or any of its Representatives; or

(ii) that were, are or become available to the Receiving Party on a non-confidential basis prior to being made available by the Debtors, but only if the source of such information is not bound by a duty of confidentiality; or

(iii) that is independently developed by the Receiving Party or the Receiving Party's Representatives without reliance upon any Confidential Information or otherwise in breach of this Agreement.

(c) Any trade secrets of the Debtors will also be entitled to all of the protections and benefits under applicable trade secret law and any other applicable law. If any information that the Debtors deem to be a trade secret is found by a court of competent jurisdiction not to be a trade secret for purposes of this Agreement, the information nonetheless will be considered Confidential Information for purposes of this Agreement.

(d) By signing this Agreement, Receiving Party acknowledges and agrees it has reviewed and accepts in all respects the Disclaimer Regarding Information attached hereto as Exhibit A. Without limiting the generality of Exhibit A hereto, no representation is made by Debtors as to the accuracy or completeness of the Confidential Information. Accordingly, the Debtors expressly disclaim any and all liability for representations, expressed or implied,

contained in, or for omissions from, the Confidential Information and any other written or oral communication transmitted in connection herewith.

2. RESTRICTED USE AND NONDISCLOSURE

The Receiving Party agrees that the Receiving Party and its Representatives (a) will keep the Confidential Information confidential; (b) will not use the Confidential Information for any purpose other than in connection with the Receiving Party's evaluation and consideration of a Transaction; and (c) without limiting (a) or (b), will not disclose the Confidential Information to any person except with the specific prior written consent of the Debtors or except as expressly otherwise permitted by the terms of this Agreement. It is understood that the Receiving Party may disclose Confidential Information to only those of the Receiving Party's Representatives who require such material for the purpose of evaluating and/or pursuing a Transaction, who are informed by the Receiving Party of the confidential nature of the Confidential Information and the obligations of this Agreement, and who are directed by the Receiving Party to maintain the confidentiality of the Confidential Information in accordance with the terms hereof. The Receiving Party will enforce the terms of this Agreement as to its Representatives and will take such action, legal or otherwise, necessary to cause them to comply with this Agreement and thereby prevent their disclosure of the Confidential Information (including all action the Receiving Party would take to protect its own trade secrets and confidential information), except as permitted by this Agreement. The Receiving Party shall be liable to the Debtors for any breach of this Agreement by any of its Representatives.

3. LEGAL COMPULSION TO DISCLOSE CONFIDENTIAL INFORMATION

If the Receiving Party or any of its Representatives become legally compelled (including pursuant to any rule or regulation promulgated by any securities regulation authority or any securities exchange) to make any disclosure that is prohibited or otherwise constrained by this Agreement, then the Receiving Party or such Representative, as the case may be, will give the Debtors prompt written notice (to the extent legally permissible) of such requirement so that Debtors may seek a protective order or other appropriate relief, or waive compliance with the nondisclosure provisions of this Agreement. Subject to the foregoing, the Receiving Party or such Representative may make only such disclosure that, upon the advice of counsel, it is legally compelled or otherwise required to make to avoid standing liable for contempt or suffering other material censure or penalty; provided, however, that the Receiving Party and its Representatives must use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so disclosed. Without limiting the generality of the foregoing, notice to the Debtors shall also be required in connection with any disclosure of Confidential Information in the course of a routine regulatory audit, inspection or examination.

4. DEBTOR CONTACT

The Debtors will determine, in their sole discretion, what information, properties and personnel they wish to make available to the Receiving Party.

5. EMPLOYEES AND INDEPENDENT CONTRACTORS

For a period of two years after the date of this Agreement, neither the Receiving Party nor its Representatives will (a) induce or attempt to induce any employee to leave the employ of the Debtors, or their affiliates, or induce or attempt to induce any independent contractor to terminate its retention by the Debtors or any of their affiliates, (b) hire, retain or attempt to hire or retain any employee or independent contractor of the Debtors or their affiliates, or (c) in any way interfere with the relationship between the Debtors or their affiliates, on the one hand, and any of their employees or independent contractors, on the other hand. Notwithstanding the foregoing, this Section will not prohibit the Receiving Party from making general employment or independent contracting solicitations not specifically directed at the employees and independent contractors of the Debtors or their affiliates, or hiring or retaining them as a result of such solicitations.

6. RETURN OF CONFIDENTIAL INFORMATION

Upon request by the Debtors, the Receiving Party will within five business days of such request (i) deliver to the Debtors all documents and other materials constituting Confidential Information, other than Notes, in the possession or under the control of the Receiving Party or the Receiving Party's Representatives, and (ii) destroy all Notes, without retaining a copy of any such material. Alternatively, at the Receiving Party's option, the Receiving Party will destroy all documents and other materials constituting Confidential Information in the possession or under the control of the Receiving Party or the Receiving Party's Representatives, including all copies that are stored in an electronic or other medium and are retrievable in perceivable form. An appropriate officer of the Receiving Party must certify any such destruction to the Debtors in writing, and a list of the destroyed documents and materials must accompany the certification. Notwithstanding the foregoing, the Receiving Party and its Representatives may retain such copies of Confidential Information as are required to satisfy the requirements of any law or in compliance with their respective policies relating to auditing, regulatory issues, or internal records retention, provided that any such retained Confidential Information shall remain subject to the terms of this Agreement. Such obligation by the Receiving Party and its Representatives to maintain the confidentiality of any such retained Confidential Information pursuant to this Section 6 shall survive the expiration or earlier termination of this Agreement.

7. ATTORNEY WORK PRODUCT AND ATTORNEY-CLIENT PRIVILEGE

The Receiving Party acknowledges that the Debtors may be entitled to the protections of the attorney work-product doctrine, attorney-client privilege or similar protections or privileges with respect to certain of the Confidential Information. The Debtors are not waiving, and will not be deemed to have waived or diminished, any of their attorney work-product protections, attorney-client privileges or similar protections or privileges as a result of the disclosure of such Confidential Information to the Receiving Party in connection with this Agreement. The parties (a) share a common legal and commercial interest in such Confidential Information, (b) are or may become joint defendants in proceedings to which such Confidential Information relates, and (c) intend that such protections and privileges remain intact should either party become subject to any

actual or threatened proceeding to which such Confidential Information relates. In furtherance of the foregoing, the Receiving Party will not claim or contend, in proceedings involving either party, that the Debtors waived the protections of the attorney work-product doctrine, attorney-client privilege or similar protections or privileges as a result of the disclosure of Confidential Information to the Receiving Party in connection with this Agreement.

8. REMEDIES

The Receiving Party acknowledges that the Debtors would be damaged irreparably if any of the provisions of this Agreement are not performed in accordance with the specific terms, that the Debtors would encounter extreme difficulty in attempting to prove the actual amount of damages suffered by them as a result of the Receiving Party's breach and that any breach of this Agreement by the Receiving Party would not be adequately compensated by monetary damages alone. Accordingly, the Receiving Party agrees that, in addition to any other right or remedy to which the Debtors may be entitled at law or in equity (including, without limitation, consequential and punitive damages, as to which the rights of the Debtors are expressly reserved), the Debtors will be entitled to enforce any provision of this Agreement by a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent any breach or threatened breach of this Agreement, without posting any bond or other security and without the necessity of proving the amount of any actual damage to the Debtors resulting therefrom. In addition, the Receiving Party will indemnify, defend and hold the Debtors harmless from any damages, loss, cost or liability (including reasonable legal fees and the cost of enforcing this indemnity) arising out of or resulting from the Receiving Party's or its Representatives' breach of this Agreement. The rights and remedies of the parties to this Agreement are cumulative and not alternative.

9. NO OBLIGATION TO NEGOTIATE DEFINITIVE AGREEMENT

The Debtors reserve the right, in their sole discretion, to reject any and all proposals made by the Receiving Party or the Receiving Party's Representatives to terminate discussions and negotiations with the Receiving Party and the Receiving Party's Representatives at any time. No contract providing for a Transaction will be deemed to exist unless and until a definitive agreement, if any, with respect to a Transaction (a "Definitive Agreement") has been executed and delivered, and the parties waive any claims (including breach of contract claims, but excluding all claims directly or indirectly based on this Agreement) in connection with a Transaction unless and until they enter into a Definitive Agreement. Neither party nor their respective Representatives or will have any legal obligation of any kind with respect to a Transaction by virtue of this Agreement, except to the extent explicitly set forth herein.

10. NOTICE

All notices, consents, waivers and other communications under this Agreement must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by a nationally recognized overnight courier service (cost prepaid), or (b) received or rejected by the addressee, if sent by certified mail, return receipt requested, in each case to the following

addresses and marked to the attention of the individual (by name or title) designated below (or to such other address or individual as a party may designate by notice to the other parties):

If to the Debtors, to:

Bradley D. Sharp
Chief Restructuring Officer
LeFever Mattson, a California Corporation
333 South Grand Avenue, Suite 4100
Los Angeles, CA 90071
bsharp@dsiconsulting.com

with a copy to:

Keller Benvenuti Kim LLP
425 Market Street, 26th Floor
San Francisco, CA 94105
Attention: David A. Taylor, Esq.
Email: dtaylor@kbbkllp.com

If to the Receiving Party, to:

[Fill in]

11. ENTIRE AGREEMENT

This Agreement supersedes all prior agreements between the parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. This Agreement may not be amended, supplemented or otherwise modified except by a written agreement executed by the party to be charged with the modification.

12. TERMINATION DATE

This Agreement shall terminate, and the Receiving Party and their Representatives' obligations of confidentiality and other obligations hereunder shall cease (subject to Section 6 above), two (2) years following the date the first written above.

13. SEVERABILITY

If any court of competent jurisdiction holds any provision of this Agreement invalid or unenforceable, the other provisions of this Agreement will remain in full force and effect. Any

provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

14. ASSIGNMENT

The Debtors may assign all of their rights under this Agreement, including the right to enforce all of its terms, to a successor-in-interest or transferee or assignee of their business or operations. The Receiving Party may not assign this Agreement, or any interest therein, to any third party.

15. WAIVER

Neither any failure nor any delay by any party in exercising any right, power, or privilege under this Agreement will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power or privilege.

16. GOVERNING LAW; JURISDICTION

(a) This Agreement will be governed by and construed under the laws of California without regard to conflicts of law principles that would require application of any other law.

(b) Any action or proceeding arising out of or relating to this Agreement must be brought in the Bankruptcy Court and each of the parties irrevocably submits to the exclusive jurisdiction of such court in any such action or proceeding and waives any objection it may now or hereafter have to venue or convenience of forum. If the Bankruptcy Court declines or is unable to assert jurisdiction over such action or proceeding, it shall be brought before the United States District Court for the Northern District of California. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

17. SIGNATURES; BINDING AGREEMENT

(a) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument. To facilitate execution of this Agreement, the parties may execute and exchange counterparts of this Agreement via attachment to electronic mail (*.pdf or similar file types). The parties further agree that counterparts of this Agreement may be signed electronically via Adobe Sign, DocuSign protocol or other electronic platform. All such signatures may be used in the place of original "wet ink" signatures to this Agreement and shall have the same legal effect as the physical delivery of an original signature.

(b) Delivery of Confidential Information to the Receiving Party shall constitute the Debtors' agreement to the terms and conditions contained herein.

The Receiving Party has executed and delivered this Agreement as of the date indicated in the first sentence.

[RECEIVING PARTY]

By: _____

Print Name:

Title:

BROKER JOINDER TO NON-DISCLOSURE AGREEMENT

The undersigned broker (“**Receiving Party's Broker**”) acknowledges and agrees that it is acting as a Representative of Receiving Party in connection with the Transaction and shall keep all discussions relating to the Transaction, and all Confidential Information that Receiving Party's Broker or its representatives receive in connection therewith, confidential in accordance with the terms and conditions of this Agreement.

By: _____

Name: _____

Title: _____

EXHIBIT A
DISCLAIMER REGARDING INFORMATION

All information provided by or on behalf of the Debtors in connection with the Confidentiality Agreement to which this Exhibit A is attached (collectively, the “**Information**”) has been prepared or provided solely as a courtesy so that the Receiving Party will have general information and other material facts relating to a Transaction.

The Information provided was obtained from various sources and prepared by various consultants and third parties engaged by the Debtors. Although certain materials were prepared based on the available books and records relating to such Transaction, the Debtors have not made and will not make any representations or warranties of any kind or nature with respect to any of the Information, and the Debtors expressly disclaim any and all liability based, in whole or in part, on any representations or warranties, express or implied, relating to or contained in any of the Information provided.

The Information does not purport to contain all of the information that may be required to evaluate the factors that are relevant to the Receiving Party in its evaluation of any particular Transaction. The Receiving Party will be allowed, if and when authorized by the Debtors, to conduct a comprehensive due diligence review of the business and historical operating results of the real property that is subject to such Transaction. The Receiving Party will be required to rely only upon its own due diligence review in making any decision regarding such Transaction and not on any statement or information provided by or on behalf of the Debtors, or their respective affiliates, constituents, officers, members, partners, employees, agents or contractors (each, a “**Debtor Party**” and, collectively, “**Debtor Parties**”).

The Information may include certain projections and forward-looking statements. Such projections and forward-looking statements reflect various assumptions concerning the future performance of the businesses and the real property that are subject to such Transaction, which assumptions may prove to be incorrect. Actual results may vary from the anticipated results, and such variations may be material. No representations or warranties of any kind or nature are made by any of the Debtor Parties, including, but not limited to, with respect to the accuracy or reasonableness of such assumptions or the projections or forward-looking statements based thereon.

By proceeding to execute the Agreement to which this Exhibit A is attached, the Receiving Party, for itself and for its successors and assigns, hereby acknowledges, agrees to and confirms all of the foregoing, and agrees that the Debtor Parties are under no duty to make any current or future representations, warranties, affirmative disclosures or inquiry regarding any matter which may or may not be known to any Debtor Parties, and hereby expressly waives and releases each Debtor Party from any such duty that otherwise might exist.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]