

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (the “**Agreement**”) is made as of the ____ day of _____, 2022 (the “**Effective Date**”) by and between SPS PORTFOLIO HOLDINGS II, LLC, a Delaware limited liability company, (“**Seller**”) and COUNTY OF SONOMA, a political subdivision of the State of California (“**Buyer**”).

W I T N E S S E T H:

A. Seller is a joint venture entity controlled by an affiliate of Simon Property Group and Seritage Growth Properties, and the fee owner of a certain parcel of land (the “**Parcel**”) containing approximately 7.24 acres located at that certain shopping center commonly known as Santa Rosa Plaza in the City of Santa Rosa, California (the “**Shopping Center**”), which Parcel is depicted upon the site plan attached hereto as Exhibit A (the “**Site Plan**”);

B. As of the date hereof, the Parcel contains a former department store containing two levels of approximately 139,133 total square feet (the “**Department Store Improvements**”) and former TBA building of approximately 22,267 square feet (the “**TBA Improvements**” and collectively with the Department Store Improvements, the “**Building Improvements**”). The Parcel also contains an approximately 2.21-acre parking garage (the “**Deck Parcel**”) and for the sake of clarity, the Deck Parcel shall not constitute part of the Building Improvements; and

C. Subject to Buyer obtaining all CEQA/NEPA Approvals as set forth herein for acquisition of the Property and for redevelopment contemplated by Buyer and the satisfaction of all other conditions to closing set forth in this Agreement, Seller agrees to (i) convey the Parcel and improvements thereon to Buyer and (ii) demolish the Building Improvements, remove foundations, compact fill to the Compaction Standard (as set forth in Section 8(h) below) and rough grade the same within one hundred eighty (180) days following the conveyance of the Parcel to Buyer.

NOW THEREFORE, the parties hereto, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby agree as follows:

1. Agreement to Sell and Purchase. Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions of this Agreement, all right, title and interest of Seller in and to the following:

(a) Fee simple title to the Parcel, comprising all of Tax Parcel Number APN 010-660-003-000, as such Parcel is depicted on Exhibit A attached hereto, free of any tax liens, encumbrances or loans of any lenders and exceptions to title not approved by Buyer, subject to a

survey and accurate legal description of such Parcel of land to be obtained by Buyer;

(b) Subject to Seller's obligation to undertake the Building Improvements Demolition under Section 8(h) below, any improvements, machinery, equipment and/or fixtures owned by Seller and located in or on the Parcel, together with any personal property, if any, owned by Seller, free of any tax liens, encumbrances or loans of any lenders and exceptions to title not approved by Buyer, and located in or on the Parcel; and

(c) all existing easements, privileges, interests and other rights which are appurtenant to the Parcel, including, but not limited to, all right, title and interest, if any, of Seller in and to any land lying in any street, road or avenue adjoining the Parcel, and in any water, sewer and utility pipes and facilities in or appurtenant to the Parcel.

All of the foregoing is referred to herein as the "**Property**".

2. Purchase Price and Adjustments.

(a) The purchase price (the "**Purchase Price**") to be paid by Buyer to Seller for the Property is Twenty Million Seven Hundred Fifty Thousand Dollars (\$20,750,000.00), subject to adjustment as provided herein. The Purchase Price shall not be adjusted by any variance in acreage in the Parcel from that estimated herein.

(b) The Purchase Price shall be paid by Buyer to Seller as follows:

(i) Within ten (10) business days after the Effective Date, the sum of Five Hundred Thousand Dollars (\$500,000.00) (together with interest thereon, the "**Initial Deposit**") will be deposited by Buyer with First American Title Insurance Company, National Commercial Services, Attn: Brian Lobuts, 1850 K Street NW, Suite 1050, Washington, DC 20006 (the "**Escrow Agent**"). If Buyer or Seller does not terminate this Agreement during the Inspection Period (defined below), then within ten (10) business days following the end of the Inspection Period Buyer will increase the Initial Deposit by an additional Five Hundred Thousand Dollars (\$500,000.00) (together with interest thereon, the "**Additional Deposit**", and collectively with the Initial Deposit, the "**Deposit**"). The Deposit shall be delivered by Buyer in good, immediately available United States funds by wire transfer. Such Deposit shall be held in escrow by Escrow Agent which shall place the same in a federally insured interest-bearing account.

(ii) The balance of the Purchase Price (after providing credit for the Deposit) shall be paid by Buyer to Seller at the Closing by wire transfer of immediately available

United States Federal funds or by other means acceptable to Seller.

3. Closings. The closing and settlement of the sale and purchase of the Property (the “**Closing**”) shall take place through an escrow of documents and funds established by the Escrow Agent on a date (the “**Closing Date**”) that is, subject to Section 23, sixty (60) days after the CEQA/NEPA Approval Date (as defined in Section 4(c) below), unless an earlier date is agreed to in writing by Buyer and Seller.

4. Inspection Period; Conditions of Buyer’s Obligations. Buyer’s obligation to complete the Closing under this Agreement is conditioned upon the following:

(a) There shall be an initial inspection period commencing on the Effective Date and continuing for a period of ninety (90) days thereafter (the “**Initial Inspection Period**” and, together with any “Additional Inspection Period”, as described in Section 4(b) below, collectively the “**Inspection Period**”) for Buyer to inspect the physical, title, environmental, operational and financial aspects of the Property, including obtaining a Phase I Environmental Investigation Report and including performing such geotechnical and environmental testing and structural testing of the parking structure on the Deck Parcel as Buyer shall require, including excavation, borings, test pits and the like. During the Initial Inspection Period, upon specific and reasonable request by Buyer from time to time, Seller shall promptly provide Buyer with copies of material documents as may be reasonably in Seller’s possession or control to allow Buyer to evaluate the Property. During the Inspection Period and otherwise at all times while this Agreement is in effect, Buyer shall have a License to enter the Property pursuant to Section 8 below and any inspections thereof shall be in accordance with Section 8 hereunder.

(b) During the Initial Inspection Period, Buyer shall use commercially reasonable efforts to secure a long-term lease (the “**Offsite Parking Lease**”) of no less than five hundred (500) parking spaces from the City of Santa Rosa or other entities proximate to the Parcel (the “**Offsite Additional Parking**”); *provided, however*, that under no circumstance shall the Offsite Additional Parking be located upon the Shopping Center. In the event that the Offsite Parking Lease is not secured during the Initial Inspection Period (or the parties have not otherwise finalized the form of Covenants, Parking Agreement or DSEH Agreement), then Buyer shall have the right, in its sole discretion, without any obligation to extend the Initial Inspection Period, for an additional ninety (90) days of inspection period (the “**Additional Inspection Period**”), by providing Seller at least three (3) days’ written notice prior to the expiration of the Initial Inspection Period. From time to time and upon reasonable request of Seller, Buyer shall update Seller as to the status of securing the Offsite Additional Parking and the negotiations of the Offsite Parking Lease. Within five (5) business days after securing an executed Offsite Parking Lease, Buyer shall notify Seller that it has secured such Offsite Parking

Lease. Notwithstanding that the Offsite Parking Lease will be executed during the Inspection Period, it shall not become effective prior to the County obtaining the CEQA/NEPA Approvals.

(c) Buyer shall use diligent and commercially reasonable efforts to secure all review and approvals required under the California Environmental Quality Act (“**CEQA**”) and, where applicable, under the National Environmental Policy Act (“**NEPA**”) to permit the acquisition of the Property and redevelopment of the site for Buyer’s initial intended use as a first-class office building (the “**CEQA/NEPA Approvals**”), with all appeals periods, if any, having expired with no appeals pending (such date being the “**CEQA/NEPA Approval Date**”). Buyer’s obligations under this Agreement are subject to Buyer’s duties and obligations under CEQA and NEPA requirements. Nothing in this Agreement precludes, and Buyer hereby reserves, Buyer’s discretion to adopt alternatives and environmental mitigation measures through the NEPA and CEQA process relating to Buyer’s future use of the Property, including Buyer’s discretion to select a no action/no build alternative with respect to the Property. From time to time and not more than once per calendar month upon request of Seller, Buyer shall update Seller as to the status of the CEQA, and if applicable NEPA, review and approvals, but will not be required to divulge information and materials that are privileged. Within five (5) business days after the CEQA/NEPA Approval Date, Buyer shall notify Seller of the CEQA/NEPA Approval Date. Buyer shall be solely responsible for all costs of the CEQA/NEPA Approvals (other than Seller’s reasonable cooperation as described herein), as well as any other zoning or governmental approvals required for Buyer’s intended use of the Property. Seller shall reasonably cooperate in a timely manner, at no material cost to Seller, to assist Buyer in obtaining the CEQA/NEPA Approvals and shall join in applications, if required and promptly, within five (5) business days after any request from Buyer sign any commercially reasonably necessary instruments, if required. In the event Buyer does not obtain the CEQA/NEPA Approvals to permit Buyer’s intended use on or before the date that is two (2) years following the Effective Date (such date being the “**CEQA/NEPA Approvals Outside Date**”), either Buyer or Seller may terminate this Agreement by notice to the other, whereupon this Agreement shall be automatically terminated and so long as Buyer has diligently pursued and exercised commercially reasonable efforts to secure the CEQA/NEPA Approvals by the CEQA/NEPA Approvals Outside Date, Seller agrees the Deposit with interest shall be returned by Buyer within ten (10) business days following the date of the notice of termination. Anything to the contrary in the immediately preceding sentence notwithstanding, Buyer shall have the right to extend the CEQA/NEPA Approvals Outside Date by two extension periods of six (6) months each, provided as to each such extension: (i) Buyer is continuing to diligently prosecute the CEQA/NEPA Approvals; (ii) Buyer provides Seller with notice of such extension not less than five (5) business days prior to the then current CEQA/NEPA Approvals Outside Date; and (iii) simultaneously with such notice, Buyer increases the Deposit by the amount of Two Hundred Fifty Thousand Dollars (\$250,000.00). In the event that Buyer extends the CEQA/NEPA Approvals Outside Date by one or more six (6) month extension periods in accordance with the

terms of this Section 4(c) and Buyer is not able to obtain the CEQA/NEPA Approvals by the extended CEQA/NEPA Approvals Outside Date, the termination rights and refund of the increased Deposit with interest as described above will apply. Without limiting the foregoing, so long as Buyer has diligently pursued and exercised commercially reasonable efforts to secure the CEQA/NEPA Approvals, if the CEQA/NEPA Approvals are not obtained by the CEQA/NEPA Approvals Outside Date, as the same may be extended pursuant to the terms hereof, Buyer shall be entitled to a full refund of its Deposit (including any increased Deposit) and interest thereon. The right to terminate this Agreement set forth in this Section 4(c) shall immediately expire on the Closing Date.

(d) Prior to the end of the Inspection Period (if Buyer has not terminated earlier this Agreement), Seller and Buyer shall finalize the terms of the form of Covenants, Conditions and Restrictions (“**Covenants**”) applicable to the Parcel for the development, maintenance and operation of the Property. The Covenants shall be consistent with the CEQA/NEPA Approvals. A copy of the form of Covenants will be attached to this Agreement as Exhibit D when the terms and conditions of the same have been finalized. At Closing, the Covenants shall become effective and shall be recorded in the official public records of Sonoma County, California together with the Deed. As additional consideration for the sale of the Parcel, the Covenants shall be made applicable to the Parcel and shall (i) run with the land of the Parcel, (ii) be binding upon Buyer, Seller and subsequent holders of the Parcel, and (iii) inure to the benefit of the parties and their respective successors and assigns.

(e) Prior to the end of the Inspection Period (if Buyer has not terminated earlier this Agreement), Seller shall use diligent and commercially reasonable efforts to cause EMI Santa Rosa Limited Partnership (the “**Shopping Center Owner**”) to negotiate with Buyer in order for such parties to finalize the terms and conditions of the shopping center cross-parking agreement (“**Parking Agreement**”) securing five hundred fifty (550) parking spaces for Buyer, its employees and invitees to the Parcel with exclusive use from 7 am until 5 pm Monday through Friday, in a mutually agreed upon location, as designed with reserved spaces and parking signage or paint markings as further described in the Parking Agreement, within Shopping Center Owner’s parking facilities and garages that are not located on the Parcel. The Shopping Center Owner is an affiliated entity controlled by Simon Property Group, which party has an ownership interest in the affiliate joint venture entity Seller. The initial rate payable for such parking shall be an agreed upon monthly rental rate based on the annual fair market rental consistent with the public parking rates in public parking facilities of not less than one hundred parking stalls in the downtown Santa Rosa market (the “**Market Rate**”). Such agreed upon Market Rate may be determined by Shopping Center Owner and adjusted, if applicable, no more than once in any two (2) year period based upon any market increases or decreases in the Market Rate over such period. Shopping Center Owner, employees, tenants and patrons shall have cross parking rights to use the same parking spaces outside of the hours reserved to Buyer. The

Parking Agreement shall further provide that the Shopping Center Owner, its employees, tenants and patrons thereof shall have the right to utilize, on an unreserved basis and at no charge, any parking upon the Parcel at any time after 5pm until 2am Monday through Friday and on Saturdays, Sundays and holidays. A copy of the Parking Agreement will be attached to this Agreement by Seller and Buyer as Exhibit E when the terms and conditions of the same are finalized. Signed original counterparts of the Parking Agreement will be delivered by the parties thereto to Escrow prior to Closing and the Parking Agreement will take effect as of Closing.

(f) Prior to the end of the Inspection Period (if Buyer has not terminated earlier this Agreement), Seller and Buyer shall finalize the terms and conditions of the form of demolition support and escrow holdback agreement (“**DSEH Agreement**”) in the amount of the pre-approved estimated cost of the demolition contractor charges; *provided, however*, that the amount of the escrow and any contractors identified therein shall not be finalized until within thirty (30) days prior to Closing. A copy of the DSEH Agreement will be attached to this Agreement by Seller and Buyer as Exhibit F when the terms and conditions of the same are finalized. Signed original counterparts of the DSEH Agreement will be delivered by the parties thereto to Escrow prior to Closing and the DSEH Agreement will take effect as of Closing.

(g) For a period of up to six (6) months after the Effective Date hereof (the “**RE Amendment Period**”), Seller, or its Affiliate, shall obtain the necessary approvals of all parties under that certain Construction, Operation and Reciprocal Easement Agreement Santa Rosa Plaza dated February 27, 1981 and recorded as Instrument Number 81010856 of the Official Records of Sonoma County, California (as amended, the “**Updated RE Agreement**”) to permit the development and use of the Property as contemplated in this Agreement (the “**Third-Party Approvals**”). Buyer shall reasonably cooperate, at no material cost to Buyer, to assist Seller in obtaining the Third-Party Approvals to the Updated RE Agreement. Seller, or its Affiliate shall use all commercially reasonable and diligent efforts to seek the Third-Party Approvals in a timely manner. Upon finalizing the terms of the Updated RE Agreement, Seller will deliver notice to Buyer within five (5) business days, along with a copy of the Updated RE Agreement to Buyer, which executed Updated RE Agreement shall be held in escrow by Seller until Closing, at which time it will become effective.

(h) If Buyer, in Buyer’s sole discretion and for any reason or no reason, determines during the Inspection Period that Buyer desires to terminate this Agreement, then Buyer may, during the Inspection Period, notify Seller of Buyer’s election to terminate this Agreement, whereupon this Agreement shall be automatically terminated and the Deposit, with interest, shall be returned to Buyer within ten (10) business days following the date of Buyer’s termination notice and neither party shall have any further obligations, liabilities, rights or remedies hereunder, except as specifically provided by the terms and conditions of this Agreement.

(i) In addition to Buyer's rights under Section 4(h), it is the intent of the parties hereunder that during the Inspection Period, (i) Buyer has approved the Off-Site Parking Lease form (described in Section 4(b) above), (ii) the parties have finalized the form of Parking Agreement (described in Section 4(e) above), (iii) the parties have finalized the form of DSEH Agreement (described in Section 4(f) above), (iv) Seller has obtained all Third Party Approvals and such parties to the Updated REA Agreement have finalized the form of the Updated RE Agreement (described in Section 4(g) above), and (v) Buyer has waived all contingencies as to those that are finalized to Buyer's satisfaction. Should any of the foregoing items not be achieved within the time periods set forth in this Agreement, Buyer and Seller shall each have the right to terminate this Agreement by written notice to the other party, in which case, Buyer shall receive its Deposit, with interest, within ten (10) business days following the date of the termination notice and neither party shall have any further obligations, liabilities, rights or remedies hereunder, except as specifically provided by the terms and conditions of this Agreement. Seller agrees that Seller will temporarily suspend Seller's right to terminate this Agreement in accordance with the terms of this Section 4(i) where Buyer reasonably demonstrates that Buyer and Seller will achieve the satisfaction of the foregoing items within a reasonable period not to exceed sixty (60) days following the end of the Inspection Period or RE Amendment Period, as applicable; provided, however, if the foregoing item or items, as the case may be, are not achieved by such extension period, this Agreement may be terminated by either party and the foregoing terms for return of the Deposit and interest thereon and release shall apply.

5. "AS IS"

(a) Buyer shall make such investigations and inspections of the Property and records relating thereto to satisfy itself as to all matters relating to its purchase of the Property and shall purchase the Property "AS IS" "WHERE IS", at the date hereof, subject to normal wear and tear until Closing and subject to casualty damage and condemnation as herein provided.

(b) This Agreement and the Exhibits attached hereto contain all the terms of the agreement entered into between the parties, and Buyer acknowledges that neither Seller nor any representatives of Seller has made any representations or held out any inducements to Buyer, other than those expressly set forth in this Agreement. Without limiting the generality of the foregoing, Buyer has not relied on any representations or warranties except for those expressly set forth in this Agreement (and neither Seller nor its representatives made any representations or warranties), in either case express or implied, as to any matters, including, without limitation, as to (i) the current or future real estate tax liability, assessment or valuation of the Property; (ii) the potential qualification of the Property for any and all benefits conferred by federal, state or

municipal laws, whether for subsidies, special real estate tax treatment, insurance, mortgages, or any other benefits, whether similar or dissimilar to those enumerated; (iii) the compliance of the Property, in its current or any future state, with applicable zoning ordinances and the ability to obtain a change in the zoning or a variance in respect to the Property's non-compliance, if any, with said zoning ordinances; (iv) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Property from any source, including, but not limited to, state, city, or federal government or any institutional lender; (v) the current or future use of the Property; (vi) the physical condition of the Property including, without limitation, the condition of the Deck Parcel garage structure or any environmental conditions (including the presence of asbestos or other hazardous materials) which may exist; or (vii) the accuracy of any due diligence materials.

(c) Without limiting the provisions of Section 5(a) and 5(b) of this Agreement, Buyer on behalf of itself and its successors and assigns waives and releases Seller and Seller's affiliates and agents and their respective successors and assigns from any and all demands, claims, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, arising from or relating to the physical condition of the Property, or any law or regulation applicable thereto, including the presence or alleged presence of asbestos or harmful or toxic substances in, on, under or about the Property, including, without limitation, any claims under or on account of (i) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as the same may have been or may be amended from time to time, and similar state statutes, and any rules and regulations promulgated thereunder, (ii) any other federal, state or local law, ordinance, rules or regulation, now or hereafter in effect, that deals with or otherwise in any manner relates to, environmental or health and safety matters of any kind, or (iii) this Agreement or the common law (collectively "**Environmental Conditions**"). The foregoing release of Seller and Seller's affiliates and agents and their respective successors and assigns shall not apply to any third party Claims against Seller or Buyer, or its successors and assigns, arising as a result of (i) contract or tort liabilities for acts or omissions that accrue during Seller's ownership of the Property, or (ii) any pre-existing Environmental Conditions prior to the Closing. The terms, covenants and conditions in this Section 5 shall not in any way whatsoever transfer or assign from Seller to Buyer any of Seller's liability to any third parties in respect of such third party Claims brought against Seller for matters that accrue during Seller's period of ownership of the Property; and Buyer's indemnity of Seller shall not cover any such Claims, nor shall Buyer's insurance cover Seller as insured for such Claims. In addition, the foregoing release shall in no way modify, limit, release or discharge Seller from its liabilities and obligations associated with undertaking and completing the Building Improvements Demolition (which may include the remediation, handling and disposal of asbestos or harmful or toxic substances, as well as Environmental Conditions).

(d) Except for a breach by Seller of any representations or warranties set forth in this Agreement or any fraud or gross negligence on the part of Seller, in furtherance of the releases set forth in this Section 5 of this Agreement, Buyer hereby expressly waives, to the maximum extent legally permissible, any and all rights or benefits conferred by any law that is inconsistent with the waiver and release contained in Section 5 of this Agreement and expressly consents that each such waiver and release shall be given full force and effect according to each and all of its express terms and conditions, including those relating to unknown and unsuspected Claims, if any, as well as those relating to any other Claims set forth herein.

(e) As used in this Agreement, “**Claims**” mean any claim, demand, lien, agreement, contract, covenant, action, suit, cause of action (whether based on statutory or common law theories), obligation, loss, cost, expense (including, without limitation, reasonable attorneys’ fees (whether or not litigation is commenced)), penalty, damages, order or other liability, of any kind whatsoever relating to the releases solely set forth in this Section 5, whether at law or in equity, fixed or contingent, known or unknown, and whether accruing now or in the future.

(f) The documents delivered by Seller at the Closing, shall be subject to the provisions and limitations contained in this Agreement and/or in such documents.

(g) The provisions of Section 5 of this Agreement shall survive the Closing and conveyance of title to the Property until the same are time barred by applicable law.

6. Condition of Title.

(a) At Closing, Seller shall convey to Buyer good and marketable title to the vacant Property by delivery of a grant deed for such Property in the form attached hereto as Exhibit G and by such other documents of conveyance as may be reasonably required to convey title to such Property to Buyer. Title to the Property shall be such as will be insured as good and marketable by the Escrow Agent (which may also be referred to herein as the “**Title Company**”) at regular rates pursuant to the Stipulations and Conditions of the current form of ALTA Owner’s Policy of Title Insurance (Form B) free and clear of all liens, encumbrances, tenancies and occupancy rights except for Permitted Exceptions. For purposes hereunder, “**Permitted Exceptions**” shall be (i) such matters of record as have been approved or otherwise deemed waived by Buyer as set forth herein, (ii) real estate taxes not yet due and payable, (iii) any matter created or caused by, under or through Buyer or any of Buyer’s authorized officers, employees, agents, engineers or consultants, (iv) other matters that Seller and Buyer agree in a signed writing are included within Permitted Exceptions, (v) such matters specifically contemplated in

this Agreement and (vi) all title matters and exceptions set forth in the Title Commitment and Survey, which Buyer fails to specify as a Buyer's Title/Survey Objection or New Objection, as applicable. Within ten (10) business days after the Effective Date, Buyer shall order a title commitment ("**Title Commitment**") from the Title Company with respect to the Property from the Title Company, at Buyer's sole cost and expense. Within ten (10) business days following the Effective Date, Buyer shall at its cost, order a survey of the Property (the "**Survey**") from Buyer's surveyor engineer consultant and use reasonable efforts to procure the same as soon as reasonably practicable given all circumstances. Seller agrees to reasonably cooperate in a timely manner without delay with Buyer and Buyer's consultants and agents in order to assist Buyer with the ordering of the Title Commitment, the Survey and any onsite inspection, including, without limitation, making representatives of Seller fully available to meet any of Buyer's representatives, consultants and agents, including surveyor engineers at the Property with all access keys to any Building Improvements and Deck Parcel for any form of inspection.

(b) On or before the date which is ten (10) business days after Buyer's receipt of both the Title Commitment and Survey, Buyer will provide Seller with a copy of the Title Commitment and Survey and shall, within sixty (60) days of Buyer's receipt of both Title Commitment and Survey, notify Seller in writing of any objections to title or matters shown on the Survey ("**Buyer's Title/Survey Objections**"). If Buyer shall fail to notify Seller of Buyer's Title/Survey Objections within sixty (60) days of receipt of both the Title Commitment and Survey, Buyer shall be deemed to have waived all objections to Seller's title and Survey, as applicable. In the event that Buyer shall so object to the Title Commitment or Survey, Seller shall have ten (10) business days after receipt of Buyer's Title/Survey Objections to issue a notice to Buyer identifying which, if any, of Buyer's Title/Survey Objections Seller will cure ("**Seller's Title/Survey Response**"). Except as agreed to in Seller's Title/Survey Response, or in connection with the satisfaction of any Monetary Lien (hereinafter defined), Seller shall have no obligation to expend any amounts to cure any of Buyer's Title/Survey Objections nor shall Seller have any obligation to institute proceedings to cure any of Buyer's Title/Survey Objections. To the extent Seller agrees to cure any of Buyer's Title/Survey Objections that may be cured by the payment of money, Seller shall have the right to do so at the Closing from the Closing proceeds. In the event Seller fails to respond within such ten (10) business day period, Seller shall be deemed to have refused to satisfy all of Buyer's Title/Survey Objections on or before the Closing Date. In the event Seller timely notifies Buyer that it is unable or unwilling to so cure all or any of Buyer's Title/Survey Objections, Buyer may, within five (5) business days of receipt of Seller's Title/Survey Response (i) waive Buyer's Title/Survey Objections, in which case, any of Buyer's Title/Survey Objections that Seller is unable or unwilling to cure shall be deemed to be Permitted Encumbrances, or (ii) terminate this Agreement by written notice to Seller, in which case the Deposit with interest shall be returned to Buyer within ten (10) business days of the date of Buyer's notice of termination; and neither Buyer nor Seller shall have any further obligations hereunder, except obligations that expressly survive termination pursuant to

the terms and conditions of this Agreement.

(c) If any Title Commitment update issued subsequent to the date of the Title Commitment contains exceptions not contained in the Title Commitment (“**New Exceptions**”), then Buyer may object to one or more New Exceptions (collectively, the “**New Objections**”) by delivering notice of objection (a “**Title Notice**”) to Seller within ten (10) business days following Buyer’s receipt of such updated Title Commitment. If Buyer fails to deliver to Seller a Title Notice on or before such date, Buyer will be deemed to have waived any objection to the New Exceptions and the New Exceptions will be included as Permitted Exceptions. Seller will have not less than five (5) business days from the receipt of Buyer’s Title Notice (and, if necessary, Seller may extend the respective Closing Date to provide for such five (5) business day period and for an additional five (5) business days following such period for Buyer’s response), within which time, Seller (i) shall remedy or cure or agree to remedy or cure any of the New Objections that have been created by Seller or that constitute a Monetary Lien and (ii) may remedy or cure any other of the New Objections (the “**Discretionary New Objections**”). In the event Seller fails to respond within such five (5) business day period, Seller shall be deemed to have refused to satisfy all of Buyer’s Title/Survey Objections on or before the Closing Date. If, within the five (5) business day period, Seller does not (or does not agree to) remedy or cure the Discretionary New Objections, then Buyer may terminate this Agreement upon notice to Seller no later than ten (10) business days following the expiration of the five business (5) day cure period. If Buyer terminates this Agreement, the Deposit with interest will be returned to Buyer within ten (10) business days of the date of Buyer’s notice of termination; and neither Buyer nor Seller shall have any further obligations under this Agreement except for the obligations that expressly survive termination pursuant to the terms and conditions of this Agreement. If Buyer fails to terminate this Agreement in the manner set forth above, the New Objections, except those New Objections that Seller has remedied or cured or agreed to or is obligated to remedy or cure, will be deemed Permitted Exceptions.

(d) Notwithstanding anything to the contrary contained herein, if the Title Commitment, or any update thereto, reveals the existence of a mortgage, monetary lien, monetary judgment, security interest, past due tax or assessment or other similar encumbrance of a monetary nature against the Property (a “**Monetary Lien**”), then Seller shall be obligated to pay any amount due in full satisfaction of each such Monetary Lien which amount, at the option of Seller, may be paid from proceeds at Closing. The failure by Seller to remove (i) a Monetary Lien, or (ii) any other encumbrance or Monetary Lien is recorded against the Property which is placed thereon by Seller; shall constitute a willful breach hereunder by Seller if not removed on or before the Closing that shall entitle Buyer to terminate this Agreement and exercise any other rights and remedies set forth in this Agreement. If Buyer terminates this Agreement due to such Seller breach, then the Deposit, with interest, will be returned to Buyer within ten (10) business days of the date of Buyer’s notice of termination; and neither Buyer nor Seller shall have any

further obligations under this Agreement except for the obligations that expressly survive termination pursuant to the terms and conditions of this Agreement.

7. Representations and Warranties.

(a) Seller covenants, represents and warrants to Buyer as follows:

(i) Seller has full power, right and authority to own its properties, to carry on its business as now conducted, and to enter into and fulfill its obligations under this Agreement. Seller has taken all actions required of Seller to enter into this Agreement with Buyer. Each of the persons executing this Agreement on behalf of Seller is authorized to do so and has the power and authority to bind Seller to the terms and conditions of this Agreement as of the Effective Date. Seller's execution, delivery and performance under this Agreement will not be in violation of or be in conflict with the Seller's organizational documents. This Agreement is the valid and legally binding obligation of Seller to transfer Seller's ownership of the Property, enforceable against Seller in accordance with its terms.

(ii) The execution of this Agreement by Seller, the consummation of the transactions herein contemplated, and the execution and delivery of all documents to be executed and delivered by Seller pursuant hereto, have been or will be, prior to the Closing, duly authorized by all requisite action on the part of Seller and this Agreement has been and all documents to be delivered by Seller pursuant hereto, will be duly executed and delivered by it and is or will be, as the case may be, binding upon and enforceable against Seller in accordance with their respective terms.

(iii) The execution and delivery of this Agreement, and, subject to the terms of this Agreement, the consummation of the transactions provided for herein and the fulfillment of the terms hereof, will not result in a breach of any of the terms or provisions of, or constitute a conflict with, or default or an acceleration under any agreement to which Seller is a party or by which Seller or the Property is bound, or any judgment, writ, trust, decree or order of any court or governmental body, or any applicable law, rule or regulation.

(iv) Seller has not received a written notice of any pending condemnation, expropriation, eminent domain, or similar proceeding affecting all or any portion of the Property. To Seller's knowledge, Seller and Seller's representatives have no knowledge that any such pending condemnation, expropriation, eminent domain, or similar proceeding affecting all or any portion of the Property is contemplated.

(v) No service, equipment, supply or maintenance contracts with

respect to or affecting the Parcel being conveyed shall survive the applicable Closing.

(vi) Seller has not received a written notice of any action, suit or proceeding pending against all or a portion of the Property. To Seller's knowledge, no action, suit or proceeding is threatened against Seller or the Property affecting all or any portion of the Property, or relating to or arising out of the ownership, management or operation of all or any portion of the Property, any lease of the Property, or this Agreement or the transactions contemplated hereby, in any court or before or by any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality, whether or not covered by insurance, except as identified in Exhibit B attached hereto.

(vii) To Seller's knowledge, except as disclosed in the reports described in Exhibit C (collectively, the "**Environmental Report**"), which have been or shall be delivered to Buyer within five (5) days after the Effective Date, no hazardous substance or hazardous waste (as such terms are hereinafter defined) were used, generated, treated, stored, released, discharged or disposed of by the businesses conducted on the Property by Seller or its Affiliates. Except as disclosed in the Environmental Report, (i) no notification of release of a "hazardous substance" or "hazardous waste", as such terms are defined in and pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., ("**CERCLA**"), the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq., or the federal Clean Water Act (33 U.S.C. Section 1251 et seq.), or any state or local environmental law, regulation or ordinance, including California Health & Safety Code Section 25359.7, has been received by Seller and, to Seller's knowledge and without investigation, none has been filed as to the Property; and (ii) the Property is not listed or formally proposed for listing on the National Priority List promulgated pursuant to CERCLA or on any state list of hazardous substance sites requiring investigation or clean-up. To Seller's knowledge, no PCB-contaminated, friable asbestos or formaldehyde-based insulation items are present at the Property except as disclosed in the Environmental Report. To the best of Seller's knowledge, no activities or occurrences are taking place or have taken place at the Property which might give rise to any basis for any of the foregoing except as disclosed in the Environmental Report.

The foregoing Seller representations and warranties are true as of the Effective Date and are restated for the benefit of Buyer as of the Closing Date.

(b) Buyer represents and warrants to Seller as follows:

(i) Buyer has the full authority and power to enter into and fulfill its obligations under this Agreement.

(ii) The execution of this Agreement by Buyer, the consummation of the transactions herein contemplated, and the execution and delivery of all documents to be executed and delivered by Buyer pursuant hereto, have been or will be, prior to the Closing, duly authorized by all requisite action on the part of Buyer and this Agreement has been and all documents to be delivered by Buyer pursuant hereto, will be duly executed and delivered by it and is or will be, as the case may be, binding upon and enforceable against it in accordance with their respective terms.

(iii) Neither the execution of this Agreement nor the carrying out by Buyer of the transactions contemplated herein will result in any violation of or be in conflict with any applicable law, rule or regulation of any public, governmental or quasi-governmental agency or authority, or of any instrument or agreement to which Buyer is a party and no consent or approval of any third party is required for the execution of this Agreement or the carrying out by Buyer of the transactions contemplated herein.

(iv) Buyer is not an employee benefit plan (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”)), nor is Buyer deemed to be holding assets of an employee benefit plan under ERISA or the regulations promulgated thereunder.

(v) Buyer has received no written notice of any action, suit or proceeding pending and, to Buyer’s knowledge, no action, suit or proceeding is threatened against Buyer in any court or before or by any federal, state, county or municipal department, commission, board, bureau or agency or other governmental instrumentality, which would materially adversely affect the ability of Buyer to carry out the actions contemplated by this Agreement.

(c) The representations, warranties and covenants of Buyer and Seller under this Agreement shall be true and correct on the Closing Date and shall survive Closing for a period of twelve months; *provided, however*, Seller shall have no liability, and Buyer shall make no claim against Seller, for (and Buyer shall be deemed to have waived any failure of a condition hereunder by reason of) a failure of any condition or a breach of any representation or warranty, covenant or other obligation of Seller under this Agreement or any document executed by Seller in connection with this Agreement (including for this purpose any matter that would have constituted a breach of Seller’s representations and warranties had they been made on the Closing Date) (a) if the failure or breach in question constitutes or results from a condition, state of facts or other matter that was, to Buyer’s knowledge, known to Buyer prior to the end of the

Inspection Period, or (b) if the failure or breach in question constitutes or results from a condition, state of facts or other matter that, to Buyer's knowledge, was known to Buyer prior to Closing, and Buyer proceeds with the Closing notwithstanding such Buyer's knowledge. Except in the case of fraud or intentional misrepresentation, notwithstanding anything to the contrary contained in this Agreement, the maximum liability of Seller following the Closing (and then only for the period set forth in Section 7(c) above) shall not exceed the aggregate sum of Five Hundred Thousand and No/100 Dollars (\$500,000.00). Notwithstanding anything to the contrary contained in this Agreement, the maximum liability of Buyer following the Closing (and then only for the period set forth in Section 7(c) above) shall not exceed the aggregate sum of the Deposit. The provisions of this Section 7 shall survive the Closing or a termination of this Agreement.

(d) For purposes of this Agreement (including, without limitation, Section 7 hereof) the words "to Seller's knowledge" and any words of like import shall be interpreted to mean the current actual (as opposed to implied or constructive) knowledge of John Phipps and Patrick Peterman, without Seller or such individuals having the obligation to make any independent investigation and without attribution to Seller or such individuals of facts and/or matters otherwise within the personal knowledge of any other current or previous officers, employees, managers, representatives, or agents of Seller or any other Seller Related Parties or any third parties and shall not include the knowledge of any past or current officer, director, employee, agent or representative of Seller or any other Seller Related Parties other than John Phipps and Patrick Peterman. Notwithstanding anything to the contrary contained in this Agreement, John Phipps and Patrick Peterman shall have no personal liability whatsoever in connection with Seller's representations and warranties set forth in this Agreement or any document or matter related thereto. For the purposes of this Agreement (including, without limitation, Section 7 hereof) the words "to Buyer's knowledge" and any words of like import shall be interpreted to mean the current actual (as opposed to implied or constructive) knowledge of Caroline Judy, without Buyer or such individual having the obligation to make any independent investigation and without attribution to Buyer or such individual of facts and/or matters otherwise within the personal knowledge of any other current or previous council member or officer, employees, manager, agents, attorneys or representatives of Buyer and shall not include the knowledge of any past or current Buyer Related Parties. Notwithstanding anything to the contrary contained in this Agreement, Caroline Judy shall have no personal liability whatsoever in connection with Buyer's representations and warranties set forth in this Agreement or any document or matter related thereto.

(e) No member, shareholder, or agent of Seller, nor any advisor, representative, affiliate, employee, director, partner, beneficiary, investor, trustee or other person or entity acting on Seller's behalf or otherwise related to or affiliated with Seller (collectively, "**Seller Related Parties**"), shall have any personal liability, directly or indirectly, under or in

connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter, and Buyer and its successors and assigns and, without limitation, all other persons and entities, shall look solely to Seller's assets for the payment of any claim or for any performance, and Buyer, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability; *provided, however*, that nothing herein shall waive any liability resulting from work performed by any third-party Seller Related Parties in connection with the Building Improvements Demolition pursuant to Section 8(h) below (but only with respect to such third-party Seller Related Party doing such Building Improvements Demolition). No council member or officer, director, employee, agent, contractor, advisor, attorney, representative, affiliate, partner, beneficiary, trustee or other person or entity acting on Buyer's behalf or otherwise related to or affiliated with Buyer (collectively, "**Buyer Related Parties**"), shall have any personal liability, directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or pursuant to the provisions of this Agreement, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter, and Buyer and its successors and assigns and, without limitation, all other persons and entities, shall look solely to Buyer's Deposit for the payment of any claim or for any performance, and Seller, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability; *provided, however*, that nothing herein shall waive any liability resulting from work performed by any third-party Buyer Related Parties in connection with the License to inspect the Property pursuant to Section 8 below (but only with respect to such responsible third-party Buyer Related Parties inspecting the Property in accordance with Section 8). The provisions of this Section 7(e) shall survive the Closing or a termination of this Agreement.

8. Access to Property/Operations pending Closing/Post-Closing Demolition and Construction.

(a) Seller grants to Buyer, any Buyer designated Buyer Related Parties and its consultants, contractors and prospective investors and lenders a license (the "**License**") to enter the Property, at reasonable times during normal business hours, for the limited purpose of inspection, preparation of plans, taking of measurements, making of surveys, obtaining a Phase I Environmental Investigation Report, performing geotechnical examinations and generally ascertaining the condition of the Property or undertaking the process of conducting CEQA/NEPA review and obtaining the CEQA/NEPA Approvals; *provided, however*, Buyer must obtain the specific prior written approval of Seller, not to be unreasonably withheld, conditioned or delayed, to perform any tests involving borings, test wells or any other invasive procedure. Buyer, at its sole cost and expense, shall furnish Seller with copies of the results of all soil tests and studies, and copies of all environmental reports and other reports generated by

third parties pursuant to the performance of the inspections done under this Section 8(a) promptly upon Buyer's receipt and following review thereof. In connection with any such License, Buyer shall: (i) give Seller prior notice to any designated representative, which notice may be delivered via electronic mail or telephone call, of the time and place of such entry and permit a representative of Seller to accompany Buyer; (ii) at all times conduct its due diligence review, inspections and examinations in a manner so as to not cause liability, damage, lien, loss, cost or expense to Seller or the Parcel and, without limitation on the foregoing, so as to not to create any danger or hazard to the public, (iii) indemnify, defend and save and hold harmless Seller from any and all liabilities which Seller may suffer by reason of the conduct of Buyer and/or any representative of Buyer in connection with any such entry prior to Closing, expressly excluding any obligation to indemnify Seller due to liability arising from: (a) any pre-existing conditions merely discovered and not materially exacerbated in more than a de minimis manner by Buyer or its agents in its inspection of the Property; (b) liability arising from Seller's negligence or misconduct or breach of the terms of this Section 8(a); (c) any third party Claims against Seller due to bodily injury or death arising from any dangerous property condition that should be removed or enclosed and displaying any lawfully required warning signage; and (d) any Claims against Seller after Closing due to Seller's demolition work; (iv) promptly repair any damage to the Property directly and solely caused by Buyer's inspection to substantially the same condition prior to such inspections; and (v) fully comply with all laws, ordinances, rules and regulations in connection with such inspections; and (vi) deliver to Seller a certificate of insurance evidencing that Buyer or the applicable Buyer contractor performing the work and services on behalf of Buyer is maintaining in full force and effect the following insurance coverages placed with responsible insurance companies authorized to do business in the state where the Parcel is located and having an A.M. Best's rating of "A-VIII" or above (or the equivalent rating thereof), in the following amounts:

(i) Commercial General Liability Insurance – Naming Seller as additional insured with the following minimum coverages and limits:

\$ 2,000,000	Per Occurrence Bodily Injury and Property Damage
\$2,000,000	Per Occurrence Personal and Advertising Injury
\$2,000,000	General Aggregate
\$2,000,000	Products and Completed Operations Aggregate
\$100,000	Fire Legal Liability
\$5,000	Medical Payments

(ii) Worker's Compensation in compliance with any and all statutes requiring such coverage in the state where the premises are located, covering employees, volunteers, temporary employees, and leased employees.

(iii) Employer's Liability in the amount of \$1,000,000 each accident, \$1,000,000 each employee, \$1,000,000 policy aggregate, covering all employees, volunteers, temporary employees, and leased employees.

All insurance coverage provided by Buyer will be subject to the Buyer's current self-insurance program maintained by Buyer as of the Effective Date of this Agreement. Upon request of Seller, Buyer will issue to Seller a certificate confirming the Buyer's insurance pursuant to the Buyer insurance program.

(b) Prior to exercising this License and any entry upon the Property, Certificates of Insurance shall be provided to Seller and/or designated representative(s), evidencing that the required insurance has been obtained. The policies and certificates shall contain a provision that the insurer will not cancel, non-renew, or change in any material way the nature or extent of the coverage provided by the policy without first giving the policy holder thirty (30) days prior written notice of cancellation.

(c) All insurance procured/maintained by Buyer or its contractors or vendors shall be primary. Any insurance available to Seller shall be considered excess and non-contributory. Any deductible or self-insured retention amounts are the sole responsibility of the insured policy holder.

(d) The insurance requirements set forth are in no way intended to modify, reduce, or limit the indemnifications herein made by Buyer. The insurance coverages and limits required of Buyer or its contractors and vendors are designed to meet the minimum requirements of Seller. They are not designed as a recommended insurance program for Buyer. Buyer alone shall be responsible for the sufficiency of its own insurance program. Should Buyer have any questions concerning its exposure to loss under this Agreement or the possible insurance coverages needed therefore, it should seek professional assistance. Any actions, errors, or omissions that may invalidate coverage for Buyer insured shall not invalidate or prohibit coverage available to any other insureds.

(e) Promptly after notice is given by Buyer to Seller from time to time that Buyer desires to inspect the Property, Seller shall arrange an appropriate time to do so without unreasonable delay. The work performed under this License shall be at the sole cost and expense of Buyer, and without cost or expense to Seller, its partners, agents, employees, shareholders, members, officers, directors, subsidiaries or affiliates. In the event the transaction contemplated herein fails to Close for any reason, this Agreement is terminated and/or Seller delivers a notice of default to Buyer, Buyer shall repair any damage to the Property directly and solely caused by Buyer's inspection. Buyer's obligations and indemnities under this Section 8 shall survive the termination of this Agreement.

(f) The License shall commence following the Effective Date when Seller receives the Certificates of Insurance required pursuant to this Section 8. The License shall terminate upon the earlier to occur of the following: (1) the scheduled date of the Closing (regardless of whether such Closing occurs); (2) termination of this Agreement by either party pursuant to any provision therefor; or (3) upon Buyer's receipt of a notice of a Buyer default from Seller and the expiration of any applicable cure period without cure. All other rights, obligations and liabilities of Seller and Buyer hereunder shall survive any termination of the License.

(g) Prior to Closing, Seller shall operate the Property in accordance with its regular business practices; *provided, however*, Seller will take no actions that will materially hinder the development and operation of Buyer's intended use after such Closing, which use shall require the parking garage located on the Deck Parcel to be in the condition as of the Effective Date, ordinary wear and tear excepted. Seller shall take no action to encumber the Property prior to Closing. Seller shall continue to insure the real property Parcel from loss due to casualty prior to the Closing and the Property risk of loss shall not transfer to Buyer prior to the Closing. Seller shall not enter into any agreement in any way affecting the Property, including, without limitation, any lease or other contract, which would be binding upon Buyer after Closing without Buyer's signed consent in writing, which may be withheld by Buyer in Buyer's sole discretion. Notwithstanding anything to the contrary set forth herein, nothing herein shall prohibit Seller from entering into temporary leases of the Building Improvements or other areas of the Parcel so long as (i) such leases terminate upon Closing; (ii) Seller delivers vacant possession of the Property to Buyer and (iii) Seller shall, at Closing, pay for any relocation cost required under applicable law in order to relocate any such tenants and deliver vacant possession. Seller shall indemnify, defend and hold Buyer harmless from any third party Claims from any tenant or licensee resulting from any dispute in regard to their lease or license, including surrender upon the expiration dated prior to the Closing. Seller shall not make or permit to be made any material alterations, improvements or additions at or to the Property prior to Closing without Buyer's prior signed written consent, which may be withheld in Buyer's sole discretion, unless required by law or by written notice received from Seller's insurance company. With respect to the Building Improvements, the parties agree that Seller shall not be obligated to make any capital repairs or replacements to the Building Improvements. Notwithstanding the above and in its sole discretion, Seller shall be permitted to make minor alterations, improvements or additions at or to the Building Improvements, so long as such alteration, improvement or addition would not have a material adverse effect on the remainder of the Property. Without Buyer's prior written consent, which consent may be granted or withheld in Buyer's sole and absolute discretion, Seller shall not initiate, consent to, approve or otherwise take any action with respect to the zoning, or any other governmental rule or regulation, presently applicable to all or any part of the Property, or initiate or otherwise take any action resulting in any change to the

condition of the parking garage located on the Deck Parcel or to the access or availability of utilities to the Property, which Seller action would have any adverse effect on the Property and Buyer's proposed use of the Property.

(h) Seller shall, by no later than the date that is one hundred eighty (180) days after the Closing Date, (i) demolish the Building Improvements; (ii) remove all the foundations, underground tanks, plant and equipment, or construction obstructions located; (iii) clean fill and compact to the Compaction Standard any areas impacted; and (iv) leave the area of the demolished improvements in level rough grade condition with all demolition debris and contractor waste and garbage removed (the "**Building Improvements Demolition**"), all at Seller's sole cost and expense. Seller shall be responsible for making payments directly to the demolition contractor and, to the extent of the funds held in escrow under the DSEH Agreement, will be reimbursed from funds released to Seller in accordance with the terms of the DSEH Agreement. The Building Improvements Demolition shall be undertaken in a manner consistent with the CEQA/NEPA Approvals. In all circumstances, the demolition contractor shall grade, to a reasonably level surface, the Parcel deploying the use of machinery reasonable sized and suitable and efficient for this task. Seller's obligations hereunder shall survive the Closing. Subject to force majeure, Seller agrees that it will cause its demolition contractor to proceed with the Building Improvements Demolition within thirty (30) days after Closing. Seller and its contractor will comply with all of the Buyer's public works contract requirements. Seller and its contractor shall be provided a License to enter the Property and conduct the Building Improvements Demolition upon substantially the same terms and conditions set forth in this Section 8 for Buyer's entry upon the Property prior to Closing. In such circumstances, the demolition contractor shall rough grade the surface for areas that all foundations and underground materials are removed from. Any fill materials will be compacted in the areas from which foundations or other underground materials are removed to ensure a stable surface suitable for temporary parking of medium duty vehicles (as reasonably determined by both the Buyer and Seller), until the construction of new building improvements (the "**Compaction Standard**"). All Building Improvements Demolition will be carried out by Seller and its contractor(s) in accordance with applicable law for a public works contract and Buyer's then current Division 0 specifications and general conditions, taking in to account such terms including, without limitation, payment of prevailing wages, delivery of performance and payment bonds in favor of the Buyer, labor protections and provisions, competitive bidding/procurement obligation, and Buyer's customary policies that apply to such work on a Buyer controlled or owned construction site. Prior to commencing the procurement of the demolition contractor, Seller shall deliver, for Buyer's reasonable review and comment, the complete solicitation package for the demolition, including, without limitation, the solicitation documents, the form of contract and the technical specifications (which will be based on Buyer specifications). Buyer shall have a period of thirty (30) days to review and comment on such package after receipt of the full package. Notwithstanding such review and comment, Seller shall remain solely liable for compliance with

the requirements of this Agreement relating to demolition and such review and comment shall not shift such responsibility or any liability to Buyer. These foregoing obligations of Seller and Seller's performance of the demolition work shall expressly survive the Closing.

(i) Seller and Buyer will, on or before the Closing Date, enter into the DSEH Agreement in the form as set forth in Exhibit F. The DSEH Agreement will provide for the monthly payment of the demolition contractor invoices and applications for payment by mutual agreement to release monies held back in escrow upon production by Seller's demolition contractor of conditional lien releases for any payment sought and unconditional lien releases for all payments received. Seller shall hold the contract with Seller's demolition contractor.

(j) Prior to Buyer's commencement of construction upon the Property and at Buyer's sole cost and expense, Buyer will endeavor to consult Shopping Center Owner, and use good faith efforts to develop, if economically feasible for Buyer (as reasonably determined by Buyer) and consistent with the CEQA/NEPA Approvals, improvements that provide connectivity between Buyer's planned building improvements and the Shopping Center. Any such improvements agreed to shall ensure that the design remains harmonious with that of Buyer's intended improvements and the Shopping Center, each as determined by Buyer, in its sole discretion, with the intent to achieve common benefits and parking stall availability to users and visitors of the Shopping Center and Buyer's improvements to the Property, taking into full consideration Buyer's needs, uses, security and functions of its intended improvements. Nothing contained in the foregoing shall obligate Buyer to expend any funds in connection with the improvements, other than undertaking any consultation described above.

9. Items to be Delivered at Closing.

(a) At Closing, Seller shall cause to be delivered to Buyer the following as applicable to the Parcel being conveyed:

(i) A grant deed (subject to the Permitted Exceptions) (the "**Deed**"), in the form attached hereto as Exhibit G, duly executed and acknowledged by Seller, and in proper form for recording;

(ii) A bill of sale in the form attached hereto as Exhibit H duly executed and acknowledged by Seller conveying all tangible and intangible personal property included as part of the Property being conveyed;

(iii) Such documents as shall be customarily required by the City of Santa Rosa or Sonoma County, if any, to transfer title pursuant to this Agreement;

(iv) The Covenants, executed and acknowledged by Seller, and in proper form for recording;

(v) The Parking Agreement, executed by Seller and Shopping Center Owner, as necessary;

(vi) An assignment and assumption of Seller's interest in the Updated RE Agreement ("**Assignment of REA Interest**"), in the form attached hereto as Exhibit I, duly executed and acknowledged by Seller, and in proper form for recording;

(vii) Such affidavits of title or other certifications as shall be reasonably required by the Title Company to insure Buyer's title to the Property and to provide affirmative endorsements (a) against mechanics liens, (b) and parties in possession, together with all documentation required from Seller to satisfy the Title Company's requirements for the issuance of Buyer's owner policy of title insurance (subject only to the Permitted Exceptions), including organizational documents and resolutions;

(viii) A certificate from Seller stating for the benefit of Buyer that Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code and the regulations thereunder, and such other documents or instruments as may be required to be delivered by Seller pursuant to the Internal Revenue Code (or regulations promulgated pursuant thereto);

(ix) All or any documentation necessary to remove by satisfaction or release all or any monetary liens against the Property;

(x) A closing statement (the "**Closing Statement**"), executed by Seller which shall, among other items, set forth the Purchase Price, all credits against the Purchase Price, the amounts of all prorations and other adjustments to the Purchase Price and all disbursements made at Closing on behalf of Buyer and Seller in accordance with the terms of this Agreement;

(xi) The DSEH Agreement, executed by Seller and in proper form for Escrow Agent; and

(xii) A Natural Hazard Disclosure Statement (in customary form per the requirements of the Natural Hazard Disclosure Act, California Government Code Section 8589.3, 8589.4, and 51183.5, and California Public Resources Code Sections 2621.9, 2694, and 4136, and any successor statutes).

(xiii) Any other documents or items to be delivered by Seller pursuant to the provisions of this Agreement, or the DSEH Agreement, or the Updated RE Agreement.

(b) At Closing, Buyer shall cause to be delivered to Seller the following:

(i) The Purchase Price.

(ii) Such documents as shall be required by the City of Santa Rosa or Sonoma County, if any, to transfer title pursuant to this Agreement, including realty transfer tax forms required for recording;

(iii) The Covenants, executed and acknowledged by Buyer, and in proper form for recording;

(iv) The Parking Agreement, executed by Buyer;

(v) The Assignment of REA Interest, executed and acknowledged by Buyer, and in proper form for recording;

(vi) The DSEH Agreement, executed by Buyer and in proper form for Escrow Agent;

(vii) All documentation required from Buyer to satisfy the Title Company's requirements for the issuance of Buyer's owner ALTA policy of title insurance, including organizational documents and resolutions;

(viii) The Closing Statement, executed by Buyer; and

(ix) Any other reasonable documents or items to be delivered by Buyer pursuant to the provisions of this Agreement.

10. Prorations.

(a) All real property taxes, charges and assessments affecting the Property shall be apportioned on a per diem basis as of 12:01 A.M. on the date of Closing, on the basis of the fiscal year of the authority levying the same. If any of the same have not been finally assessed, as of the date of Closing, for the current fiscal year of the taxing authority, then the same shall be adjusted at Closing based upon the most recently issued bills therefor, and shall be

re-adjusted immediately when and if final bills are issued.

(b) If, at Closing, the Property or any part thereof shall be or shall have been affected by an assessment or assessments (other than assessments for municipal improvements) which are or may become payable in installments, then for purposes of this Agreement, all unpaid installments of any such assessment, including those which are to become due and payable after Closing shall be assumed for the period following the Closing by Buyer from and after Closing.

(c) If such prorations result in a payment due Buyer, the cash payable at Closing shall be reduced by such sum. If such prorations result in a payment due Seller, the same shall be paid by wire transfer of immediately available funds at Closing or by other means acceptable to Seller.

(d) The parties shall endeavor to jointly prepare a schedule of prorations for the Property no less than five (5) business days prior to Closing.

(e) The parties shall correct any errors in prorations or supplement prorations as required as soon after the Closing as amounts are finally determined. In the event current tax bills have not been issued and as a result tax prorations are based on a prior year's taxes or estimates, the parties shall make appropriate adjustments post-Closing when actual tax bills are received.

11. Expense Allocations.

(a) Buyer will pay:

(i) The fees and disbursements of Buyer's counsel, inspecting architect, engineer, environmental consultant and other consultants engaged by Buyer, if any;

(ii) One-half (1/2) of all applicable real estate transfer, stamp, documentary taxes or recording fees on the Deed, Covenants and Assignment of REA Interest;

(iii) One-half (1/2) of the closing escrow fees and DSEH Agreement fees payable to the Escrow Agent and Title Company;

(iv) One-half (1/2) of the premium with respect to the title policy;

(v) The cost of any endorsements and/or extended coverage with

respect to the title policy and all title, commitment and/or search fees and expenses, UCC, bankruptcy, judgement, litigation and similar search fees and expenses and all other costs and expenses of the Title Company; and

(vi) All costs of any financing obtained by Buyer including, without limitation, title charges and premiums, recording fees and charges and taxes related thereto, provided Buyer's obligation to close shall not be subject to Buyer's receipt of financing.

(b) Seller will pay:

(i) The fees and disbursements of Seller's counsel and other consultants engaged by Seller, if any;

(ii) Any outstanding real estate taxes due and unpaid for the Property up to the date of the Closing.

(iii) Any outstanding utility service invoices and bills due and unpaid for the Property up to the date of the Closing.

(iv) Any outstanding maintenance and service agreements or other contracts due and unpaid for the Property up to the date of termination or the later date of the Closing.

(v) One-half (1/2) of all applicable real estate transfer, stamp, documentary taxes or recording fees on the Deed, Covenants and Assignment of REA Interest;

(vi) One-half (1/2) of the closing escrow fees and DSEH Agreement fees payable to the Escrow Agent and Title Company; and

(vii) One-half (1/2) of the premium with respect to the title policy

(viii) To the extent applicable, any loan premium and interest and costs, fees, expenses or penalty payments of any financing to be paid off in full by Seller including, without limitation, lender charges and premiums, recording fees and charges and taxes related thereto.

12. FIRPTA. Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform Buyer that withholding of tax is not required upon the disposition of a U.S. real property interest, Seller hereby certifies that Seller is not a foreign corporation, foreign

partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations), and shall deliver an appropriate FIRPTA certificate at Closing.

13. Default; Seller Remedy Following Breach By Buyer.

(a) If Buyer shall default in its obligation to purchase the Property pursuant to this Agreement and such default continues for a period of ten (10) business days after receipt of Seller's written notice to Buyer, Buyer agrees that, in the event that Buyer does not cure such default within such ten (10) business day period, or if more time is reasonably required, then such longer period as necessary up to an additional sixty (60) days, provided Buyer actively prosecutes cure to completion, Seller shall then have the right to claim a breach of the Agreement by Buyer and have the right, as Seller's sole and exclusive remedy, to terminate the Agreement and have the Escrow Agent deliver the Deposit to Seller as liquidated damages to recompense Seller for time spent, labor and services performed, and the loss of its bargain. Buyer and Seller agree that it would be impracticable or extremely difficult to affix damages if Buyer so breaches by failure to cure a noticed default and that the Deposit represents a reasonable estimate of Seller's damages. Seller agrees to accept the Deposit as Seller's total damages and relief hereunder if Buyer so breaches by failure to cure a noticed default in its obligation to close hereunder. If Buyer does so breach, this Agreement shall be terminated and Buyer shall have no further right, title or interest in or to the Property. Notice and cure shall not apply to the failure to timely fund the Deposit provided that the Buyer has been given all funding information required by Escrow Agent. The Deposit shall be delivered to Seller within ten (10) business days after delivery of Seller's notice of termination following Buyer's breach and interest shall be funded to Buyer within such ten (10) business day period.

(b) If, prior to Closing, Seller defaults under this Agreement and such default continues for a period of ten (10) business days after notice to Seller, or if more time is reasonably required, then such longer period as necessary up to an additional sixty (60) days, provided Seller actively prosecutes cure to completion, Buyer's sole and exclusive remedy shall be to elect one of the following: (a) to terminate this Agreement, in which event Buyer shall be entitled to the return by the Escrow Agent of the Deposit and interest and reimbursement by Seller of Buyer's actual, third party out-of-pocket expenses incurred in connection with this Agreement (including reasonable attorney fees), pursuit of the CEQA/NEPA Approvals, Buyer's inspection of the Property, and all other third party costs incurred by Buyer in any way related to the acquisition of the Property and all other damages incurred by Buyer; *provided, however*, the amount of such reimbursement be no greater than Four Hundred Thousand and No/100 Dollars (\$400,000.00), or (b) to bring a suit for specific performance (including recovery of reasonable attorneys' fees), provided that any suit for specific performance must be brought within sixty

(60) days after Seller's uncured breach following delivery of Buyer's default notice and cure period, to the extent permitted by law. The foregoing limit on Seller's monetary liability to Buyer (in accordance with this Section 13(b)) will not apply in any instance that Seller (i) willfully and intentionally breaches the terms of this Agreement and such breach results in a termination (i.e. a failure to cure a noticed default resulting in a termination); and (ii) within a 12 month period after such termination, enters into a purchase agreement or otherwise transfers the Property to a third party; *provided, however*, in no event shall the amount of such penalty be greater than One Million Four Hundred Thousand and No/100 Dollars (\$1,400,000.00) This exception to Seller's monetary liability is not intended to apply to a termination not arising out of Seller's breach (in such instance, Seller may freely transfer the Property without regard to the foregoing provisions. Except in the instance of Seller's or Seller Related Parties' fraud, gross negligence, or intentional misconduct or as set forth in the preceding sentence, Buyer hereby waives any other rights or remedies, including, without limitation, the right to seek money damages, except as provided in this Section 13(b). This Agreement confers no present right, title or interest in the Property to Buyer and Buyer agrees not to file a *lis pendens* or other similar notice against the Property except in connection with, and after, the filing of a suit for specific performance.

14. Notice. All notices, offers or other communications required or permitted to be given shall be in writing and shall be considered as properly given or made (i) upon the date of personal delivery (if notice is delivered by personal delivery), (ii) on the day one (1) business day after deposit with a nationally recognized overnight courier service (if notice is delivered by nationally recognized overnight courier service), (iii) on the third (3rd) business day following mailing from within the United States by first class United States mail, postage prepaid, certified mail, return receipt requested (if notice is given in such manner), or (iv) on the date of delivery via electronic mail, provided such notice is also sent to the intended addressee by means described in clauses (i), (ii) or (iii) above within one (1) business day thereafter; and in any case addressed to the parties at the addresses set forth below (or to such other addresses as the parties may specify by due notice to the other). Any notices given hereunder may be given by the counsel for the respective party. Notices shall be addressed as follows:

As to Buyer: Sonoma County
General Services Department
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Caroline Judy
Email: Caroline.Judy@sonoma-county.org

with a copy to: Sonoma County

County Counsel
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Adam Brand, Esq.
Email: Adam.Brand@sonoma-county.org

with a copy to:

Nossaman LLP
777 South Figueroa, 34th Floor
Los Angeles, CA 90017
Attention: Corey Boock, Esq.
Email: cboock@nossaman.com

As to Seller:

SPS PORTFOLIO HOLDINGS II, LLC
c/o Simon Property Group
225 W. Washington Street
Indianapolis, IN 46204
Attention: John Phipps
Email: jphipps@simon.com

with a copy to:

SPS PORTFOLIO HOLDINGS II, LLC
c/o Simon Property Group
225 W. Washington Street
Indianapolis, IN 46204
Attention: Brandon L. Ayscue
Email: bayscue@simon.com

or to such other address as the respective parties may hereafter designate by notice in writing in the manner specified above. All such notices and other communications shall be deemed to have been sufficiently given for all purposes hereof on the date of the receipt thereof or on the date the addressee refused to receive it. Any notice may be given on behalf of any party by its respective counsel.

15. Fire or Other Casualty. Buyer shall make its own determination as to the adequacy of Seller's fire and extended coverage insurance maintained with respect to the Property until the date of Closing; and Buyer shall have the right but not the obligation to maintain in effect until Closing fire and extended coverage insurance policies with respect to the Property as Buyer shall desire, insuring the interests of Buyer under this Agreement.

16. Assignability, Successors and Assigns. Buyer shall not consent to or permit any Prohibited Transfer (as hereinafter defined), without obtaining, in each and every instance, the

prior written consent of Seller, to be given or withheld at the sole discretion of Seller. For purposes of this Section 16, any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation (or agreement to do any of the foregoing) of any of Buyer's rights in, to or pursuant to this Agreement, which occurs or is granted, accomplished, attempted, or effectuated prior to Closing without the prior written consent of Seller shall constitute a "**Prohibited Transfer**". Notwithstanding the foregoing, Buyer may assign Buyer's right, title and interest in and to this Agreement without Seller's consent to an Affiliate (as hereinafter defined); provided, that (i) Buyer's assignee assumes in writing the obligations and liabilities of Buyer under this Agreement, (ii) Buyer shall remain liable for all unperformed obligations and unsatisfied liabilities of Buyer's assignee under this Agreement, and (iii) Buyer delivers notice of Buyer's assignment no later than two (2) weeks prior to the respective Closing, together with a fully executed original of said assignment and such additional information and/or materials regarding such assignee as Seller may reasonably request. As used in this Section 16, the word "**Affiliate**" shall mean (x) another public agency, with respect to which the County Board of Supervisors ("**Board**") sits on the governing board; and (ii) any entity that directly or indirectly controls, is controlled by or is under common control with Buyer, or an entity at least a majority of whose economic interest is owned by Buyer. For purposes of this paragraph, "**control**" shall mean the power to direct the management of such entity through voting rights, ownership or contractual obligations.

17. Condemnation.

(a) In the event that Seller hereafter, but prior to the Closing Date, receives any notice of any taking of the Property by condemnation or eminent domain ("**Taking**" or "**Taken**"), Seller shall forthwith send a copy of such notice to Buyer. If any material part or parts of the Property are Taken prior to the Closing Date, Buyer shall have the right to terminate this Agreement by written notice to Seller within thirty (30) days after receipt of such Seller notice, in which case the Deposit and interest shall be returned to Buyer within ten (10) business days of the date of Buyer notice of termination and this Agreement shall be null and void.

(b) If any part or parts of the Property shall be Taken after the date of this Agreement and prior to the Closing Date and Buyer does not terminate this Agreement pursuant to the provisions of Section 17(a), this Agreement shall continue in force and effect and there shall be no abatement to the Purchase Price and the parties shall make any reasonably required adjustment to the DSEH Agreement or Updated RE Agreement, if any. Seller shall be relieved, however, of its duty to convey title to the portion of the Property so taken. At Closing, all rights and claims to any awards arising from such Taking as well as all moneys theretofore received by Seller on account of such Taking, net of any expenses of collection, including, without limitation, reasonable attorneys' fees in collecting the same, shall be assigned or paid to Buyer.

18. Brokers. Buyer and Seller represent and warrant to each other that they have not dealt with any broker in connection with this Agreement. Buyer and Seller shall indemnify, defend and hold each other harmless from and against all claims, cost and charges, including reasonable attorneys' fees and court costs, arising out of a breach of such representation and warranty. The provisions of this Section 18 shall survive Closing or the earlier termination of this Agreement for a period of two (2) years.

19. Escrow Provisions. Upon receipt of the Deposit (subject to collection) pursuant to Section 2(b), Escrow Agent agrees to hold the Deposit in escrow and disburse the Deposit and the interest thereon in accordance with the terms of this Agreement. At Closing, Escrow Agent shall deliver the Deposit to the settlement or closing agent (which Deposit shall be disbursed to Seller at Closing and credited against the balance due Seller by Buyer at Closing). In the event that Seller makes a written demand for the Deposit stating that Buyer is in breach of the terms of this Agreement and has failed to timely perform and cure Buyer's obligations hereunder, Escrow Agent shall release the Deposit to Seller, subject to the limitations set forth below. Escrow Agent shall return the Deposit to Buyer in the event that Buyer makes a written demand for the Deposit stating that Seller has failed to timely perform and cure Seller's obligations hereunder, or that Buyer is otherwise entitled to the Deposit pursuant to the provisions of this Agreement, or that Buyer has delivered Buyer's termination notice to Seller, subject to the limitations set forth below. In the event that Escrow Agent intends to release the Deposit to either party pursuant to this Section 19, then Escrow Agent shall give to the other party not less than five (5) business days prior written notice of such fact and if Escrow Agent actually receives written objection during such five (5) business day period that such other party objects to the release, then Escrow Agent shall not release the Deposit and any such dispute shall be resolved as provided herein. Notwithstanding anything herein to the contrary, in the event Buyer shall timely exercise its right pursuant to Section 4 hereof to terminate this Agreement prior to the expiration of the Inspection Period or the Additional Inspection Period, as the case may be, the Escrow Agent shall automatically refund the Deposit together with all interest earned thereon to Buyer without delivering the written notice otherwise required pursuant to the preceding sentence. Escrow Agent shall promptly notify Seller in writing that it refunded the Deposit to Buyer pursuant to Section 4 hereof. Escrow Agent shall invest the Deposit in an interest bearing F.D.I.C. insured account at a commercial bank and if the transactions contemplated under this Agreement are consummated, the interest shall be paid to Buyer and Buyer shall be responsible for paying any taxes on such interest. In the event that a dispute shall arise as to the disposition of the Deposit or any other funds held hereunder in escrow, Escrow Agent shall have the right, at its option, to either hold the same or deposit the same with a court of competent jurisdiction pending decision of the court having jurisdiction over such dispute, and Escrow Agent shall be entitled to rely upon the decision of such court. Escrow Agent shall have no liability whatsoever arising out of or in connection with its activity as escrow agent provided it does not act in bad faith or in

willful disregard of the terms of this Section 19 and Seller and Buyer jointly and severally agree to indemnify and hold harmless Escrow Agent from all loss, cost, claim, damage, liability and expenses (including reasonable attorneys' fees) which may be incurred by reason of its acting as escrow agent unless caused by Escrow Agent's bad faith or willful disregard of the terms of this Section 19. Escrow Agent shall be entitled to rely upon any judgment, certification, demand or other writing delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein, the propriety or validity thereof, or the jurisdiction of a court issuing any such judgment. Escrow Agent may act in reliance upon any instrument or signature believed to be genuine and duly authorized, and advice of counsel in reference to any matter or matters connected therewith. In the event of a dispute concerning disposition of the Deposit, the party to whom the Deposit is finally awarded by the court having jurisdiction over such dispute shall be entitled to be reimbursed by the other party for its reasonable legal fees, paralegal charges and court costs, if any, incurred in connection with the dispute.

20. Captions or Headings. The captions or headings of the Sections and subsections of this Agreement are for convenience only, and shall not control or affect the meaning or construction of any of the terms or provisions of this Agreement.

21. Applicable Law. This Agreement, the License, the Assignment of REA Interest and the DSEH Agreement shall be governed by and considered according to the laws of the State of California.

22. Attorneys' Fees. Should either Seller or Buyer institute any action or proceeding to enforce any provision, covenant, term or condition of this Agreement, or the DSEH Agreement, or the Updated RE Agreement, or the Assignment of REA Interest, or License, or for damages by reason of an alleged breach of any provision, covenant, term or condition of this Agreement, or the aforementioned instruments, or for a declaration of rights hereunder, the prevailing party in such action, whether by final judgment, arbitration order or out of court settlement, shall be entitled to receive from the other party all costs and expenses of such action or proceeding, including reasonable third-party attorneys' fees and costs incurred by the prevailing party in connection with such action or proceeding. Such costs and expenses shall include attorneys' fees, costs and expenses incurred in trial, on appeal and in post-judgment motions, contempt proceedings, garnishment, levy and debtor and third party examinations, discovery, and bankruptcy proceedings.

23. Time. Time shall be of the essence of the obligations of the parties under this Agreement, and each of the terms and provisions hereof; *provided, however*, if the final date of any period set forth herein (including, but not limited to, the Closing Date) falls on a Saturday, Sunday or legal holiday under the laws of the United States, the final date of such period shall be

extended to the next full business day.

24. Entire Agreement. This Agreement and all Exhibits attached hereto and incorporated herein by this reference supersedes all prior or other negotiations, representations, understandings and agreements of, by or among the parties, which are fully merged herein. The parties are not bound by any agreement, understandings, provisions, conditions, representations or warranties other than as are expressly set forth and stipulated in this Agreement and the attached Exhibits.

25. Changes. No changes, alterations, amendment, modification or waiver of any of the terms or provisions of this Agreement shall be valid, unless the same shall be in writing and signed by the parties hereto.

26. Counterparts. This Agreement may be executed in any number of counterparts each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall be binding when one or more counterparts hereof, individually or taken together, shall bear the signature of all of the parties reflected hereon as the signatories. The execution and delivery of this Agreement by electronic mail, by DocuSign or any other electronic means in “portable document format” (“pdf”) form, or execution by facsimile or electronic signatures, shall constitute effective execution and delivery of this Agreement for all purposes.

27. No Waiver. Neither the failure nor any delay on the part of either party to this Agreement to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege with respect to any occurrence be construed as waiver of any such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing or is signed by the party asserted to have granted such waiver.

28. Possession. Possession of the vacant Property shall be given by Seller to Buyer at the time of Closing by delivery of the Deed and any keys to the Property and delivery of such other documents of conveyance as may be required hereunder.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto, each intending legally to be bound hereby, have executed this Agreement as of the day and year first above written.

SELLER:

SPS PORTFOLIO HOLDINGS II, LLC, a
Delaware limited liability company

By: SPG PORTFOLIO MEMBER II, LLC, a
Delaware limited liability company, its
Managing Member

By: _____

Name: _____

Its: _____

BUYER:

COUNTY OF SONOMA
a political subdivision of the State of California

By: _____

Name: _____

Title: _____

Approved as to Form:

By: _____

Name: _____

Title: Chief Deputy County Counsel

THE UNDERSIGNED is hereby made counterparty to this Agreement and is executing same for the purpose of acknowledging its obligations pursuant to Sections 2(b) and 19 of this Agreement.

ESCROW AGENT:

FIRST AMERICAN TITLE INSURANCE COMPANY

By:_____

Name:_____

Title:_____

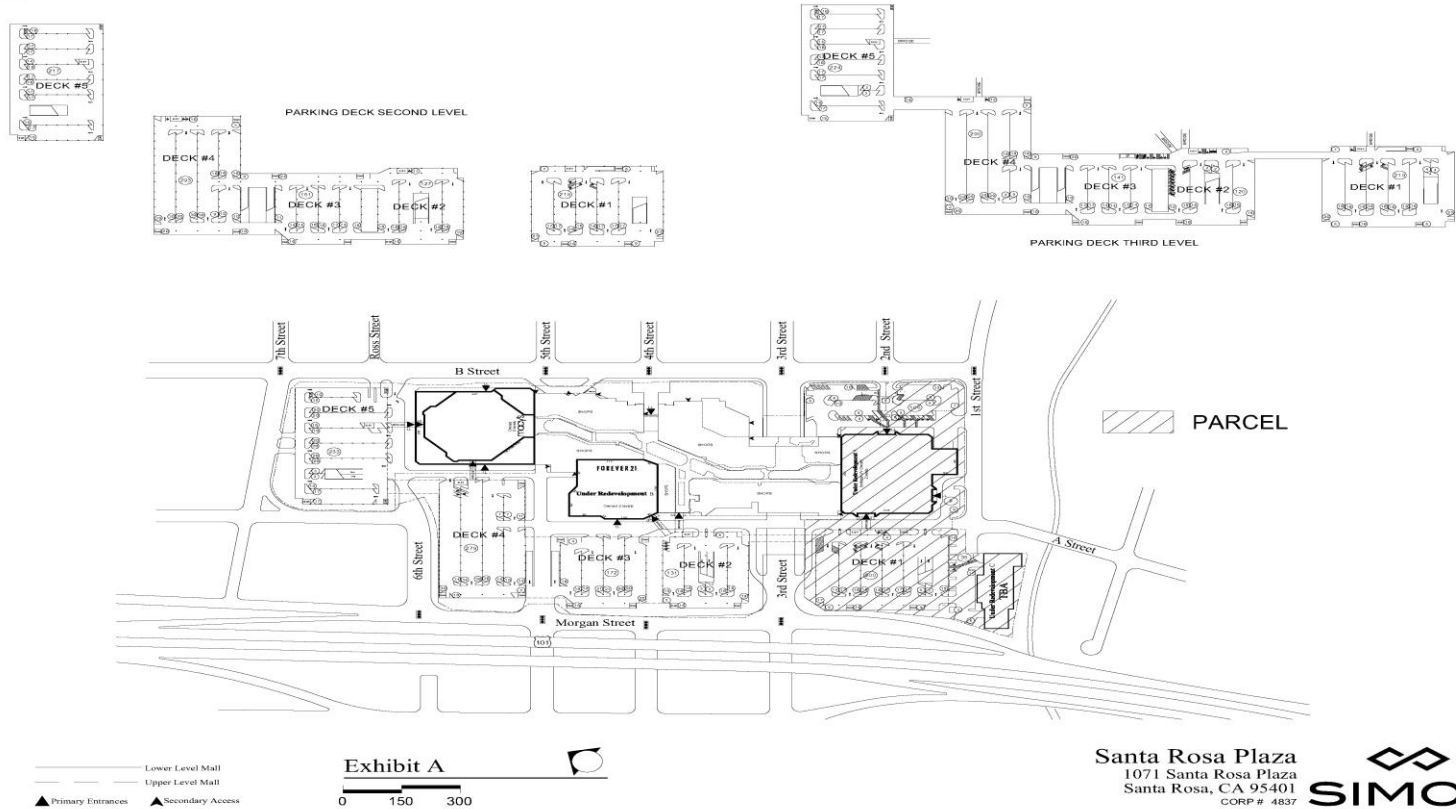
Dated: _____

TABLE OF EXHIBITS

<u>EXHIBIT A</u>	SITE PLAN OF PROPERTY
<u>EXHIBIT B</u>	LITIGATION
<u>EXHIBIT C</u>	ENVIRONMENTAL REPORTS
<u>EXHIBIT D</u>	FORM OF COVENANTS, CONDITIONS AND RESTRICTIONS
<u>EXHIBIT E</u>	FORM OF PARKING AGREEMENT
<u>EXHIBIT F</u>	FORM OF DEMOLITION SUPPORT AND ESCROW HOLDBACK AGREEMENT
<u>EXHIBIT G</u>	FORM OF DEED
<u>EXHIBIT H</u>	FORM OF BILL OF SALE
<u>EXHIBIT I</u>	FORM OF ASSIGNMENT OF RE AGREEMENT

EXHIBIT A **SITE PLAN OF PROPERTY**

This exhibit is provided for illustrative purposes only, and shall not be deemed to be a warranty, representation or agreement by Landlord that the Center, Common Areas, buildings and/or stores will be as illustrated on this exhibit, or that any tenants which may be referenced on this exhibit will at any time be occupants of the Center. Landlord reserves the right to modify size, configuration and occupants of the Center at any time.



Santa Rosa Plaza
1071 Santa Rosa Plaza
Santa Rosa, CA 95401
CORP # 4837



EXHIBIT B
LITIGATION

None.¹

¹ None as of 12/2/21. We will check this down when ready to execute.

EXHIBIT C

ENVIRONMENTAL REPORTS

1. Final Phase I ESA 12-29-14 prepared by Terracon Consultants, Inc. dated December 29, 2014, Terracon Project No. NA149324.1658
2. Limited Mold Inspection report prepared by RGA Environmental, Inc. dated February 22, 2012, EML ID 889415
3. Revised Asbestos Inspection Report prepared by RGA Environmental, Inc. dated January 2004, Project No. SEARS8641
4. Hydraulic Lift Removal Assessment, and Site Remediation Activities report prepared by Dames & Moore dated February 4, 1997, D&M Job No. 00188-165-043
5. Seismic Risk/Probably Maximum Loss Assessment prepared by B&C Environmental & Assessment dated December 10, 2014, Bock and Clark Environmental Project No. 201400945-01
6. Property Condition Report prepared by B&C Environmental & Assessment dated December 10, 2014, Project #201400945-01

EXHIBIT D

FORM OF COVENANTS, CONDITIONS AND RESTRICTIONS

Exhibit D is to be attached pursuant to an Amendment to the Agreement upon expiration of the Inspection Period.

EXHIBIT E

FORM OF PARKING AGREEMENT

Exhibit E is to be attached pursuant to an Amendment to the Agreement prior to or upon the expiration of the Inspection Period in accordance with Section 4(e) of the Agreement.

EXHIBIT F

**FORM OF DEMOLITION SUPPORT AND
ESCROW HOLDBACK AGREEMENT**

Exhibit F is to be attached pursuant to an Amendment to the Agreement prior to or upon the expiration of the Inspection Period in accordance with the terms of Section 4(f) of the Agreement.

EXHIBIT G

FORM OF GRANT DEED

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

County of Sonoma
General Services Department
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Director of Real Estate

MAIL TAX STATEMENTS TO:

County of Sonoma
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Accounts Department

SPACE ABOVE THE LINE
FOR RECORDER'S USE

GRANT DEED

A.P.N. [_____]

DOCUMENTARY TRANSFER TAX \$ _____
...Computed on the consideration or value of property conveyed; OR
...Computed on the consideration or value less liens or
encumbrances remaining at time of sale.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SPS PORTFOLIO HOLDINGS II, LLC, a Delaware limited liability company (“**Grantor**”), does hereby grant and convey to COUNTY OF SONOMA, a political subdivision of the State of California (“**Grantee**”), all of its right, title and interest in and to the following real property situated in the County of Sonoma, State of California, to wit:

See **Exhibit A** attached hereto and made a part hereof by this reference,

together with all right, title and interest in and to all buildings, structures and other facilities and improvements located thereon, and any and all right, title and interest of Grantor in and to the rights and appurtenances pertaining to such property, including in and to adjacent streets, alleys or rights-of-way.

IN WITNESS WHEREOF, Grantor has hereunto set its hand on this ____ day of _____.

- EXHIBIT FORM DO NOT SIGN -

GRANTOR:

SPS PORTFOLIO HOLDINGS II, LLC,
a Delaware limited liability company

By: SPG PORTFOLIO MEMBER II, LLC,
a Delaware limited liability company,
its Managing Member

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.

STATE OF CALIFORNIA)
COUNTY OF [])

On _____ before me, _____,
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

LEGAL DESCRIPTION

[Attach Legal Description Here]

EXHIBIT H

FORM OF BILL OF SALE

THIS BILL OF SALE FOR PERSONAL PROPERTY (“**Bill of Sale**”) is made as of *[***Insert Date Here***]* by and between SPS PORTFOLIO HOLDINGS II, LLC, a Delaware limited liability company (“**Seller**”), in favor of COUNTY OF SONOMA, a political subdivision of the State of California (“**Buyer**”).

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller hereby sells, assigns transfers, conveys and delivers to Buyer all of Seller’s right, title and interest in and to the personal property described on the attached Exhibit A (the “Personal Property”).

The purchase price for the Personal Property shall be [*** _____ **]* Dollars ([*** _____ **]*) and shall be payable upon execution hereof by the parties.

Seller hereby sells, assigns, transfers, conveys and delivers the Personal Property to Buyer in its current condition and at its present location.

Seller makes absolutely no representations or warranties with respect to the Personal Property including but not limited to any warranties as to (i) Seller’s title (except that the same is being transferred free and clear of any liens, claims, security interests or other encumbrances), (ii) merchantability, (iii) fitness, for a particular purposes, (iv) design or condition, (v) quality or capacity, (vi) workmanship and compliance with the requirements of any laws, rules, specifications or contracts pertaining thereto, (vii) patent infringements, or (viii) latent defects.

Buyer, by acceptance of this Bill of Sale, acknowledges that Seller has made no such representations or warranties and that Buyer is accepting the Personal Property “AS IS, WHERE IS, AND WITH ALL FAULTS.”

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, this Bill of Sale has been executed as of the day and year first above written.

- EXHIBIT FORM DO NOT SIGN -

BUYER:

COUNTY OF SONOMA,
a political subdivision of the State of California

By: _____
Name: _____
Title: _____

Approved as to Form:

By: _____
Name: _____
Title: Chief Deputy County Counsel

SELLER:

SPS PORTFOLIO HOLDINGS II, LLC,
a Delaware limited liability company

By: SPG PORTFOLIO MEMBER II, LLC,
a Delaware limited liability company,
its Managing Member

By: _____
Name: _____
Its: _____

EXHIBIT A

PERSONAL PROPERTY

[Attach Personal Property Inventory Here]

EXHIBIT I

FORM OF ASSIGNMENT OF RE AGREEMENT

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

County of Sonoma
General Services Department
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Director of Real Estate

APN: _____

SPACE ABOVE THE LINE
FOR RECORDER'S USE

ASSIGNMENT OF RE AGREEMENT

This Assignment of REA Interest ("**Assignment**") is made as of the ____ day of _____, 202__, by and between SPS PORTFOLIO HOLDINGS II, LLC, a Delaware limited liability company ("**Assignor**"), and COUNTY OF SONOMA, a political subdivision of the State of California ("**Assignee**"), with reference to the following facts:

R E C I T A L S

A. Assignor and Assignee are parties to a written Agreement of Purchase and Sale, dated as of _____ ("**Purchase Agreement**"), for the transfer of approximately 7.24 acres located at that certain shopping center commonly known as Santa Rosa Plaza in the City of Santa Rosa, California (the "**Real Property**"). The capitalized terms in this Assignment shall have the meanings set forth in the Purchase Agreement unless otherwise expressly indicated herein.

B. Assignor is a party to certain Updated RE Agreement dated as of _____ ("**Updated RE Agreement**") related to the Real Property that Assignee has elected to assume.

C. Pursuant to Section 9(a)(vi) of the Purchase Agreement, Assignor and Assignee desire to enter into an agreement for the assignment by Assignor of all of its right, title and interest in the Updated RE Agreement and the assumption by Assignee of all of the obligations of Assignor under the Updated RE Agreement as of the Closing Date.

A G R E E M E N T

NOW, THEREFORE, for good and valuable consideration, the adequacy, receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee do hereby agree as follows:

1. Assignment by Assignor. Assignor hereby assigns, transfers and conveys to Assignee, its successors and assigns, and Assignee hereby accepts and assumes from Assignor, all of the right, title and interest of Assignor in, under and to the Updated RE Agreement as of the Closing Date.

2. Assumption by Assignee. Assignee hereby assumes, covenants and agrees to perform all of the terms, covenants, conditions, obligations and agreements to be kept and performed on the part of the owner under the Updated RE Agreement and to assume all of the liabilities of Assignor under the Updated RE Agreement to the extent arising on and after the Closing Date.

3. Indemnity. Assignee hereby agrees to indemnify and hold harmless Assignor and Assignor's successors and assigns, and their parents, subsidiaries, affiliates and their officers, directors, shareholders, members, partners, employees, and agents from and against any claim, cause of action, lawsuit, damage, liability, loss, cost, or expense (including, without limitation, attorneys' fees) (each, an "Indemnified Loss") arising out of or in any way relating to the Updated RE Agreement that arises or relates to the period after the date hereof. Notwithstanding the above, Assignor hereby agrees to indemnify and hold harmless Assignee and Assignee's successors and assigns, and their parents, subsidiaries, affiliates and their officers, directors, shareholders, members, partners, employees, and agents from and against any Indemnified Loss arising out of or in any way relating to costs, liabilities, or obligations incurred by Assignor that arises or relates to the period prior to the date hereof pursuant to the Updated RE Agreement.

4. Notices. All notices, offers or other communications required or permitted to be given shall be in writing and shall be considered as properly given or made (i) upon the date of personal delivery (if notice is delivered by personal delivery), (ii) on the day one (1) business day after deposit with a nationally recognized overnight courier service (if notice is delivered by nationally recognized overnight courier service), (iii) on the third (3rd) business day following mailing from within the United States by first class United States mail, postage prepaid, certified mail, return receipt requested (if notice is given in such manner), or (iv) on the date of delivery via electronic mail, provided such notice is also sent to the intended addressee by means described in clauses (i), (ii) or (iii) above within one (1) business day thereafter; and in any case addressed to the parties at the addresses set forth below (or to such other addresses as the parties may specify by due notice to the other). Any notices given hereunder may be given by the counsel for the respective party. Notices shall be addressed as follows:

To Assignor:

SPS PORTFOLIO HOLDINGS II, LLC
c/o Simon Property Group
225 W. Washington Street
Indianapolis, IN 46204
Attention: John Phipps
Email: jhipps@simon.com

with a copy to:

SPS PORTFOLIO HOLDINGS II, LLC
c/o Simon Property Group
225 W. Washington Street
Indianapolis, IN 46204
Attention: Brandon L. Ayscue
Email: bayscue@simon.com

To Assignee:

Sonoma County
General Services Department
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Caroline Judy
Email: Caroline.Judy@sonoma-county.org

with a copy to:

Sonoma County
County Counsel
2300 County Center Drive, Suite A200
Santa Rosa, CA 95403
Attention: Adam Brand, Esq.
Email: Adam.Brand@sonoma-county.org

or to such other address as the respective parties may hereafter designate by notice in writing in the manner specified above. All such notices and other communications shall be deemed to have been sufficiently given for all purposes hereof on the date of the receipt thereof or on the date the addressee refused to receive it. Any notice may be given on behalf of any party by its respective counsel.

5. Counterpart Execution. To facilitate execution, this Assignment may be executed in as many counterparts as may be required. It shall not be necessary that signatures of all persons required to bind Assignor or Assignee appear in each counterpart, but it shall be sufficient that the signature of all persons required to bind Assignor or Assignee appear on one or more of such counterparts. All counterparts shall collectively constitute a single agreement.

6. Electronic Signatures. Assignor and Assignee agree that executed counterparts of this Assignment signed by one party to this Assignment and sent by facsimile, email or other electronic transmission to the other party to this Assignment: (a) shall have the same effect as an original signed counterpart of this Assignment; and (b) shall be conclusive proof, admissible in judicial proceedings, of such party's execution of this Assignment.

7. Successors and Assigns. This Assignment shall inure to the benefit of and be binding upon the successors and permitted assigns of the Assignor or Assignee. Neither Assignor nor Assignee may assign their respective interests under this Assignment to any other person or entity without the prior written consent of the other party hereto; provided, however, that the parties shall give such notice as required by applicable law or regulation prior to any such assignment.

8. Applicable Law. This Assignment shall be governed by and considered according to the laws of the State of California.

9. Relationship to the Agreement. This Assignment is intended to evidence the consummation of the transaction contemplated by the Purchase Agreement. This Assignment is made without representation or warranty, except as and to the extent provided in the Purchase Agreement. In the event of any conflict or other difference between the Purchase Agreement and this Assignment, the provisions of the Purchase Agreement shall control.

10. Cooperation. Each of the parties hereto agrees to execute and deliver any and all further agreements, documents or instruments necessary to effectuate this Assignment and the transactions referred to herein or contemplated hereby or reasonably requested by the other party to perfect or evidence their rights hereunder.

11. Construction of Agreement. The parties acknowledge that each of them has been represented by counsel in connection with this Assignment and the transaction contemplated hereby. The language used in this Assignment shall be deemed to be the language chosen by the parties to express their mutual intent. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Assignment against a party that drafted it has no application and is expressly waived.

12. Severability. If any term or other provision of this Assignment, or any portion thereof, is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms and provisions of this Assignment, or remaining portion thereof, shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any such term or other provision, or any portion thereof, is invalid, illegal or incapable of being enforced, the parties shall negotiate in good faith to modify this Assignment so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated by this Assignment.

13. Time of Essence. With regard to all dates and time periods set forth or referred to in this Assignment time is of the essence.

14. No Third-Party Beneficiaries. Except as provided in this Assignment, this Assignment is for the sole benefit of the Assignor and Assignee and their respective successors and permitted assigns and nothing in this Assignment, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Assignment.

15. Modification or Amendment; Waiver. This Assignment cannot be changed or modified except by another agreement in writing signed by Assignor and Assignee. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Assignment shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege

hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

16. Headings; Captions. The article and paragraph headings contained herein are for convenience of reference only and are not intended to define, limit, or describe the scope of intent of any provision of this Assignment.

17. Separate Entities. Nothing contained herein shall be construed as forming a joint venture or partnership between the parties hereto with respect to the subject matter hereof.

18. Entire Agreement. This Assignment, together with the Purchase Agreement referred to herein, constitutes the entire understanding between the parties with respect to the express subject matter hereof, superseding all negotiations, prior discussions and preliminary agreements.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto, each intending legally to be bound hereby, have executed this Assignment as of the day and year first above written.

- EXHIBIT FORM DO NOT SIGN -

ASSIGNOR:

SPS PORTFOLIO HOLDINGS II, LLC,
a Delaware limited liability company

By: SPG PORTFOLIO MEMBER II, LLC,
a Delaware limited liability company, its
Managing Member

By: _____
Name: _____
Its: _____

ASSIGNEE:

COUNTY OF SONOMA,
a political subdivision of the State of California

By: _____
Name: _____
Title: _____

Approved as to Form:

By: _____
Name: _____
Title: Chief Deputy County Counsel

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

STATE OF CALIFORNIA)
COUNTY OF [])

On _____ before me, _____,
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)

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

STATE OF CALIFORNIA)
COUNTY OF [])

On _____ before me, _____,
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)