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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

GINA CHAMPION-CAIN and ANI DEVELOPMENT, LLC,

Defendants,

AMERICAN NATIONAL INVESTMENTS, INC.,

Relief Defendant.

Case No. 3:19-cv-01628-LAB-AHG

NOTICE OF RESULTS OF AUCTION OF 140 KELLER STREET PROPERTY AND REQUEST TO APPROVE SALE TO WINNING BIDDER

[Motion Under Submission]

Courtroom: 3B
Mag. Judge: Hon. Allison H. Goddard

Krista Freitag ("Receiver"), the Court-appointed permanent receiver for Defendant ANI Development, LLC, Relief Defendant American National Investments, Inc., and their subsidiaries and affiliates ("Receivership Entities"), hereby submits this Notice of Results of Auction for Sale of 140 Keller Street Property and Request to Approve Sale to Winning Bidder.

On March 9, 2021, the Receiver filed her Motion for Approval of Sale of 140 Keller Street Property ("Motion") (Dkt. No. 615), which sought approval of the sale of an approximately 10,000 square foot office/co-work center located at 140 Keller Street. Petaluma, California 94952, APN #006-363-025 Parcel I ("140 Keller Street Property") for $2,040,000 pursuant to the Agreement attached as Exhibit A to the Declaration of Krista L. Freitag in support of the Motion. Dkt. No. 615-2. In the Motion, the Receiver proposed a deadline for submission of qualified overbids by no later than March 29, 2021 ("Overbid Deadline").

The Receiver then had the notice of the opportunity to overbid for the property published in the San Diego Union-Tribune for four (4) consecutive weeks, pursuant to 28 U.S.C. §§ 2001(a) and 2002, as provided in the Motion at pp. 7-8. On March 31, 2021, the Receiver filed Notice of the Receipt of a Qualified Overbid, stating that two qualified overbids had been received by the Overbid Deadline (Dkt. No. 631).

The Receiver then conducted an auction on April 5, 2021. At the conclusion of the auction, the highest bid was from 140 Keller Street, LLC ("Winning Bidder") in the amount of $2,600,0000. The Purchase and Sale Agreement, as amended and signed by Winning Bidder and the Receiver, is attached hereto as **Exhibit A**. The Receiver, therefore, asks that the Court approve the sale to Winning Bidder (or its designee) at the price of $2,600,000 and authorize the Receiver to take the steps necessary to close the sale.

The second highest bid at the auction was from Cara Recine and Anthony Sanchez ("Back-Up Bidder"), in the amount of $2,525,000. The Purchase and Sale

Agreement, as amended and signed by Back-Up Bidder, is attached hereto as **Exhibit B**. In the event Winning Bidder (or its designee) does not close the sale for any reason, the Receiver asks that the Court approve the sale to Back-Up Bidder (or his designee) and authorize the Receiver to close the sale at the purchase price of $2,525,000.

The other relief requested in the Motion, including authority to pay the costs of sale from the sale proceeds, remains the same. The Receiver has lodged with the Court an Amended Order providing for the relief requested herein.

Dated: April 12, 2021

ALLEN MATKINS LECK GAMBLE MALLORY & NATSIS LLP

By: *s/Edward G. Fates*
EDWARD G. FATES
Attorneys for Receiver
KRISTA FREITAG

EXHIBIT INDEX

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EXHIBIT A

EXHIBIT A

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (the "**Agreement**") is entered into as of March 25, 2021 (the "**Effective Date**") by and between 140 KELLER STREET, LLC, an Ohio limited liability company ("**Buyer**"), and 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver ("**Receiver**") in the case entitled *Securities and Exchange Commission v. Gina Champion-Cain, ANI Development, LLC, and American National Investments, Inc.*, United States District Court for the Southern District of California, Case No. 3:19-CV-01628-LAB-AHG (the "**Receivership Action**").

ARTICLE 1
PURCHASE AND SALE

1.1 Agreement of Purchase and Sale. Pursuant to that certain Order Granting The Parties' Joint Motion and Stipulated Request by All Parties for a Preliminary Junction Order and Order (1) Freezing Assets; (2) Requiring Accountings; (3) Prohibiting the Destruction of Documents; and (4) Appointing a Permanent Receiver (the "**Order**") entered on September 3, 2019 by the Court with respect to the Receivership Action, Receiver was appointed permanent receiver for the Seller and certain other entities, as "**Defendants**," and their subsidiaries and affiliates as "Relief Defendants" (collectively, the "**Receivership Entities**"). Seller previously agreed to sell the Purchased Assets (as defined below) comprising the Business (as defined below) to Cara Recine, an individual, and Anthony Sanchez, an individual (collectively, the "**Original Buyers**"), pursuant to the terms of that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of December 11, 2020 (the "**Original Recine/Sanchez PSA**"), as modified by that certain Addendum by and among the Original Buyers and Seller dated as of December 16, 2020 (the "**Addendum**"), which sale is subject to the Receiver conducting the Auction (as defined in Section 15.5 below) for certain Qualified Bidders (as defined in Section 15.4 below). The Original Recine/Sanchez PSA, as amended by the Addendum, is referred to herein as the "**Recine/Sanchez PSA**." This Agreement is being entered into by Buyer as a Qualified Bidder, as contemplated in the Recine/Sanchez PSA, and expressly conditioned upon and subject to the Auction. Accordingly, Seller, as one of the Receivership Entities, agrees to sell the Purchased Assets comprising the Business to Buyer, and Buyer agrees to purchase the Purchased Assets comprising the Business from Seller, subject to the terms and conditions set forth in this Agreement.

1.2 The Business. Seller conducts the business of owning and/or operating an office building located on the "Land" (as defined in Section 1.3 below) containing approximately 9,415 rentable square feet, which is currently operated as a co-working space commonly known as "Keller Street CoWork" in accordance with the terms and conditions of certain "Membership Agreements" (as defined in Section 1.3 below) applicable to the building (the "**Business**"), and pursuant to the terms and conditions of this Agreement, Seller desires to sell the Business, including all assets, tangible and intangible, used in connection with the operation of the Business.

1.3 The Purchased Assets. For purposes of this Agreement, the "**Purchased Assets**" shall mean and include in its present "AS-IS", "WHERE IS" condition, all of Seller's right, title and interest in and to the following:

(i) that certain land containing approximately 0.22 acres and related amenities located and addressed at 140 Keller Street, Petaluma, California, and situated on the land more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "**Land**");

(ii) any and all rights, privileges and easements appurtenant to the Land and owned by Seller, including, without limitation, development rights, air rights, water, water rights, riparian rights and water stock relating to the Land and rights-of-way or other appurtenances used exclusively in connection with the beneficial use and enjoyment of the Land (collectively, the "**Appurtenances**");

(iii) all improvements and fixtures located on the Land (collectively, the "**Improvements**" and together with the Land and the Appurtenances, the "**Real Property**");

(iv) any and all apparatus, equipment, furniture, appliances, food, beverage items or other inventory or tangible items of personal property owned by Seller and located on the Real Property, as such items are described on Exhibit "B" attached hereto and incorporated herein by this reference (the "**Tangible Assets**");

(v) all goodwill relating to the Business;

(vi) all accounts receivables which become due and payable after the Closing (defined below) (the "**Post-Closing Receivables**");

(vii) all rights of Seller under equipment leases, service contracts, utility contracts, water agreements, equipment leases, purchase orders, maintenance, service and similar contracts, which relate to the ownership, management, maintenance, construction or repair and/or operation of the Real Property and any of the other Purchased Assets and other similar agreements affecting the use and operation of the Business in effect as of the Effective Date that relate in any way to Seller's operation of the Business at the Real Property, which contracts are listed on Exhibit "C" attached hereto and incorporated herein by this reference (the "**Contracts**");

(viii) all permits, licenses, registrations, certificates, variances, consents, authorizations, governmental approvals and other entitlements necessary for the ownership, use, operation or maintenance of the Real Property or otherwise relating in any way to the Real Property (collectively, the "**Permits**"), provided that such Permits shall only be included with the Purchased Assets and transferred to Buyer to the extent such Permits are transferrable under applicable law;

(ix) any warranty or guaranty rights of Seller relating to the Real Property or the Tangible Assets and assignable by Seller (the "**Warranties**");

(x) all of Seller's trademark and/or trade name rights, rights to the name "Keller Street CoWork," and all other names used, and all title and interest in and to any and all intellectual property which relate to the Business or the Purchased Assets each as they relate to the ownership, use or operation of the Business or the Purchased Assets with respect to the Real Property, to the extent owned by Seller and separately transferable for the Real Property; and any other intangible personal property owned by Seller and/or used in or related to the ownership, use, operating or maintenance of the Real Property (the "**Intangible Assets**"). As used herein, "Purchased Assets" does not include any of Seller's liabilities of any kind whatsoever (other than those specifically listed) including but not limited to: Seller's liabilities and obligations arising out of or resulting from the ownership of any of the Business or the Purchased Assets before the Closing, including without limitation, all trade accounts payable incurred in the course of Seller's business prior to the Closing; Seller's liabilities and obligations for prorated taxes for the period prior to the Closing; Seller's liabilities and obligations arising out of or resulting from any failure by Seller to comply with any applicable law, judgment, or order; Seller's liabilities and obligations arising out of or resulting from any legal proceeding; Seller's liabilities and obligations to any of Seller's employees or consultants through the close of business on the Closing Date, whether or not the employee or consultants are hired by Buyer; Seller's liabilities and obligations to any current or former partner or officer of Seller or of any affiliate of Seller; Seller's liabilities and obligations under this Agreement; and Seller's liabilities and obligations arising out of or resulting from any act or omission of Seller after the Closing; and

(xi) all of Seller's right, title and interest as the owner of the Real Property and operator of the Business under those certain membership agreements by and between Seller or its affiliates and certain third parties (collectively, the "**Membership Agreements**").

1.4 Opening of Escrow. Promptly following the Effective Date, Buyer and Seller shall open escrow ("**Escrow**") with Corinthian Title (the "**Escrow Holder**"). Escrow Holder shall execute the Escrow Holder Signature Page attached hereto and return one fully executed original of this Agreement and the Escrow Holder Signature Page, the Seller's Broker Signature Page and the Buyer's Broker Signature Page to each of Seller and Buyer. The purchase and sale of the Purchased Assets shall be consummated through the Escrow in accordance with the instructions contained in this Agreement.

1.5 Closing Date. The closing of the purchase and sale of the Purchased Assets (the "**Closing**" or "**Close of Escrow**") shall occur on or before five (5) business days following the date the Court enters an order approving this Agreement (the "**Court Approval Date**") with respect to all of the Purchased Assets, or, in the event an auction occurs, the date the Court enters the Auction Confirmation Order, as described in Section 15, below.

ARTICLE 2
PURCHASE PRICE

2.1 Purchase Price. The purchase price for the Purchased Assets shall be Two Million Seventy-Five Thousand Dollars ($2,075,000.00) (the "**Purchase Price**"), which shall be subject to overbids (as defined below) pursuant to Section 15 hereof.

2.2 Payment of the Purchase Price. Buyer shall pay the Purchase Price to Seller as follows:

(a) No later than three (3) business days prior to the Auction, Buyer shall deposit with Escrow Holder, in cash, certified or bank cashier's check made payable to Escrow Holder, or by a confirmed Federal Reserve wire transfer of funds (hereinafter referred to as "**Immediately Available Funds**"), the sum of Sixty-Six Thousand Dollars ($66,000.00) (with all interest earned thereon, the "**Earnest Money Deposit**"). The Earnest Money Deposit shall be nonrefundable to Buyer except in the event: (i) of Seller's default under this Agreement, as set forth below; (ii) Buyer is not the High Bidder (as defined in below); or (iii) the Court otherwise fails to approve the sale of the Purchased Assets to Buyer. Escrow Holder shall immediately release the Earnest Money Deposit to Seller upon Escrow Holder's receipt of such Earnest Money Deposit. Buyer hereby acknowledges the foregoing and expressly agrees to Escrow Holder's release of the Earnest Money Deposit to Seller as set forth in this Section 2.2(a).

(b) In the event the Closing under this Agreement occurs, then the Earnest Money Deposit shall be credited against the Purchase Price at the Closing. In the event the Closing under this Agreement shall fail to occur, then the Earnest Money Deposit shall be nonrefundable except as expressly set forth in Section 2.2(a) above.

(c) At least one (1) business day prior to the Closing Date, Buyer shall deposit or cause to be deposited with Escrow Holder, in Immediately Available Funds, the balance of the Purchase Price (as adjusted to account for the amount of the Earnest Money Deposit previously released to Seller) and all other amounts payable by Buyer pursuant to this Agreement into Escrow.

2.3 Escrow Provisions Regarding Earnest Money Deposit.

(a) Escrow Holder shall hold the Earnest Money Deposit and make delivery of the Earnest Money Deposit to the party entitled thereto under the terms of this Agreement. Escrow Holder may deposit the Earnest Money Deposit in an escrow account maintained at a federally insured bank or savings and loan association as approved by Seller and Buyer.

(b) Escrow Holder shall hold the Earnest Money Deposit until the earlier occurrence of (i) the Closing Date, at which time the Earnest Money Deposit shall be applied against the Purchase Price, (ii) Buyer's failure to close the transaction contemplated hereby or breach of its obligations hereunder, in which event Seller may terminate this Agreement and Escrow Holder shall disburse the Earnest Money Deposit to Seller, plus accrued interest thereon, upon Escrow Holder's receipt of written notice from Seller confirming such failure to close or breach by Buyer, or (iii) in the event Seller is not the High Bidder; or (iv) the Court otherwise fails to approve the sale of the Purchased Assets to Buyer. The tax identification numbers of the parties shall be furnished to Escrow Holder upon request.

(c) The parties acknowledge that Escrow Holder is acting solely as a stakeholder at their request and for their convenience, and that Escrow Holder shall not be deemed to be the agent of either of the parties for any act or omission on its part unless taken or suffered in bad faith in willful disregard of this Agreement or involving gross negligence. Seller and Buyer jointly and severally release Escrow Holder from any and all liability for costs, claims and

expenses, including reasonable attorney's fees, incurred in connection with the performance of Escrow Holder's duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Holder in bad faith, in willful disregard of this Agreement or involving gross negligence on the part of the Escrow Holder.

(d) The parties shall deliver to Escrow Holder an executed copy of this Agreement, which shall constitute the sole instructions to Escrow Holder. Escrow Holder shall execute the signature page for Escrow Holder attached hereto with respect to the provisions of this section; provided, however, that (i) Escrow Holder's signature hereon shall not be a prerequisite to the binding nature of this Agreement on Buyer and Seller, and the same shall become fully effective upon execution by Buyer and Seller, and (ii) the signature of Escrow Holder will not be necessary to amend any provision of this Agreement other than this section.

(e) Escrow Holder, as the person responsible for closing the transaction within the meaning of Section 6045(e)(2)(A) of the Internal Revenue Code of 1986, as amended (the "**Code**"), shall file all necessary information, reports, returns, and statements regarding the transaction required by the Code including, but not limited to, the tax reports required pursuant to Section 6045 of the Code. Further, Escrow Holder agrees to indemnify and hold Buyer, Seller, and their respective attorneys and brokers and Seller's Broker and Buyer's Broker (as defined below) harmless from and against any losses resulting from Escrow Holder's failure to file the reports Escrow Holder is required to file pursuant to this section.

(f) The provisions of this section shall survive the termination of this Agreement, and if not so terminated, the Closing and delivery of the grant deed to Buyer.

ARTICLE 3
CONDITION OF TITLE

3.1 Approval of Title. Buyer hereby acknowledges that, with respect to the Real Property, Buyer has received the Title Documents (as hereinafter defined) prior to the Effective Date and approves of all matters contained therein. As used herein, "**Title Documents**" shall mean collectively that certain preliminary title report for the Land dated as of 3/10/2021, ~~2020~~ and bearing Title No. 20086241 (the "**Title Report**") prepared by Corinthian Title (the "**Title Company**") and certain hyperlinked copies of exception documents referred to in Schedule B of the Title Report.

3.2 Title Policy. Either a CLTA or ALTA Owner's Title Insurance Policy (the "**Title Policy**") shall be issued by the Title Company as of the Closing Date. The Title Policy shall be a CLTA Owner's Title Insurance Policy unless Buyer elects, by appropriate escrow instructions to the Title Company, to cause the Title Company to issue an ALTA Owner's Title Insurance Policy in place of the CLTA Title Policy. If Buyer elects to have an ALTA policy issued, Buyer shall pay the premium for said ALTA Policy in excess of the costs and premium that would have been incurred for a CLTA Policy, and such election shall in no event extend the Closing Date. In addition, Buyer shall obtain at its sole cost any survey required in connection with the ALTA Policy and any endorsements requested by Buyer, and Buyer shall be solely responsible for the Title Company's acceptance of such survey. The Title Policy shall be in the amount of the Purchase Price and shall insure fee title to the Land in Buyer.

3.3 Disclaimer of Title, Warranty. Nothing in this Agreement shall be construed as a warranty or representation by Seller, either express or implied, concerning Seller's title to the Land, and Seller makes no such warranty or representation (and Buyer acknowledges that Seller is only in possession of the Land and does not and have not at any time owned title to the Land). Buyer is relying solely upon the Title Report, the Title Policy and the grant deed from Seller to Buyer recorded at the Closing and Buyer's own Inspections (as defined in below) respecting title to the Land.

ARTICLE 4
BUYER'S DUE DILIGENCE; PRE-CLOSING OBLIGATIONS

4.1 Due Diligence Investigations.

(a) **In General.** Buyer and Buyer's agents, contractors, engineers, surveyors, attorneys, and employees or any other party in connection with any inspections conducted by or for Buyer ("**Consultants**") shall have the opportunity, at their sole cost and risk, to inspect the Purchased Assets (including the environmental and other aspects of the physical condition of the Land) and investigate and study the operations of the Purchased Assets and the feasibility of acquiring and developing the Real Property (such investigations collectively hereinafter referred to as "**Inspections**") prior to the Auction. Buyer acknowledges that to facilitate Buyer's Inspections, Seller has, for informational purposes only and without any representation or warranty of any kind, provided Buyer with certain studies, reports and information related to the Real Property (collectively, the "**Materials**"). Seller makes no representation or warranty that any such Materials are accurate or complete. Seller shall have no obligation to obtain any of the Materials that are no in its possession or control, and Seller shall not be obligated to conduct any studies, tests or inspections on or about the Property.

(b) **Mechanic's Liens.** Buyer shall not permit any mechanic's or materialmen's liens or any other liens to attach to the Purchased Assets by reason of the performance of any work or the purchase of any materials by Buyer and its Consultants. The provisions of this paragraph shall survive the termination of this Agreement, and if not so terminated, shall survive the closing of the Agreement and delivery of grant deed for the Real Property.

(c) **Contracts.** Within three (3) days after the Effective Date, Buyer may deliver written notice to Seller (the "**Contracts Notice**") specifying any of the Contracts which Buyer desires to continue at the Closing (the "**Assigned Contracts**"), to the extent any such Contracts are assignable to Buyer. If Buyer fails to deliver the Contracts Notice in accordance with the terms herein, there shall be no Assigned Contracts and Seller shall use reasonable efforts to terminate all Contracts at the Closing. To the extent that any Contract being assumed by Buyer is assignable but requires the applicable vendor to consent to the assignment or assumption of the Contract by Seller to Buyer, then, prior to the Closing, Buyer shall be responsible for obtaining from each applicable vendor a consent (each a "**Required Assignment Consent**") to the assignment of the Contract by Seller to Buyer (and the assumption by Buyer of all obligations under such Contract). Buyer shall indemnify, hold harmless and, if requested by Seller (in Seller's sole discretion), defend (with counsel approved by Seller) Seller from and against any and all losses arising from or related to Buyer's failure to obtain any Required Assignment Consent.

4.2 Right of Entry.

(a) **Buyer's Right of Access.** Until the Closing Date or, if sooner, the date this Agreement is terminated, Buyer shall have a limited, non-exclusive license to enter upon the Land, at Buyer's sole cost and expense, in order to conduct such Inspections of the Purchased Assets as Buyer deems necessary or desirable; provided, however, that Buyer shall restore any damage done to the Purchased Assets in connection with any such Inspections performed by or on behalf of Buyer. Buyer's right of entry shall be subject to Seller's prior written approval, following Seller's receipt of written notice from Buyer by e-mail or fax (at the e-mail address or facsimile numbers listed below) of any such request giving the proposed time of entry, its approximate duration and a description of the specific nature of the entry, test, investigation or other matter, together with the parties that will be present. Seller's written approval may be evidenced by an e-mail or fax back to Buyer (at the e-mail address or facsimile number listed below) approving the request. Buyer shall permit Seller to have a representative present during all Inspections conducted with respect to the Purchased Assets. Buyer shall use best efforts to minimize disruption to any person or entity entitled to occupy any portion of the Land and Improvements in connection with Buyer's or its Consultant's activities pursuant to this Agreement. No consent by Seller to any such activity shall be deemed to constitute a waiver by Seller or assumption of liability or risk by Seller. Buyer hereby agrees to restore, at Buyer's sole cost and expense, the Purchased Assets to the same condition existing immediately prior to Buyer's exercise of its rights pursuant to this section. Buyer shall comply with all applicable laws and governmental regulations applicable to the Purchased Assets and shall indemnify, defend, protect and hold harmless Seller and the Purchased Assets from any and all claims (known or unknown), liabilities, damages and costs, including, without limitation, attorneys' fees and costs, arising out of any entry onto the Land for purposes contemplated herein by Buyer or its representatives, employees, Consultants or designees; provided, however, that Buyer shall not pursuant to this section be obligated to indemnify, defend, protect or hold harmless Seller or the Purchased Assets from claims, liabilities, damages or costs arising out of any: (i) acts or omissions of Seller, its agents or representatives; (ii) latent defects in the Land or Improvements; or (iii) hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws not brought onto the Land by Buyer or its agents or representatives, except if and to the extent Buyer exacerbates or worsens the condition. Such indemnity obligation of Buyer shall survive until (A) if this Agreement is terminated, the date that is one (1) year after the effective date of such termination, or (B) if this Agreement is not terminated, the date that is one (1) year after the Closing Date.

(b) **Insurance Requirements.** As a prior condition to any entry onto the Land (and for purposes hereof, any environmental inspections or soils tests shall not be considered routine inspections), Buyer shall maintain and cause its agents and Consultants to maintain and keep in effect (a) commercial general liability insurance naming Seller as an additional insured, with limits of not less than $5,000,000.00 property damage, bodily injury or death and (b) worker's compensation insurance for all of its employees in accordance with the law of the State of California. Prior to Buyer's or its Consultants' entry onto the Land, Buyer shall deliver to Seller certificates of insurance evidencing such coverage and further evidencing that such coverage may only be terminated or modified upon not less than thirty (30) days prior written notice to Seller. The provisions of this paragraph shall survive the termination of this Agreement, and if not so terminated, shall survive the closing of this Agreement and delivery of grant deed for the Land.

4.3 Documents. In the event this Agreement is terminated for any reason (including due to either party's default), Buyer shall immediately deliver to Seller, at no cost to Seller, the originals (or copies if the originals are not available) of all studies, tests, surveys, applications, maps, agreements, plans and other documents related to the Land in Buyer's possession or control, whether previously delivered to Buyer by Seller as a part of the Materials or reports and information and Materials provided to Buyer and any reports, studies or other information prepared or compiled for Buyer by any Consultant or other third-party in connection with Buyer's investigation of the Land ("**Third-Party Reports**") obtained by Buyer in connection with its investigation and analysis of the Real Property, and, upon written request of Seller, Buyer shall assign to Seller, AS-IS and without representation or warranty as to accuracy or completeness, and subject to the proprietary rights of any third party consultants and any limitations imposed by them, all right, title and interest of Buyer in and to all or any portion of such documents as specified by Seller; provided, however, that this section shall not apply to: (a) confidential information; (b) any information subject to a legal privilege (including, without limitation, legal memoranda); or (c) accounting and financial information (including, without limitation, financial models regarding the Land). The provisions of this section shall survive any termination of this Agreement.

4.4 Escrow Cancellation Charges. In the event the Escrow shall fail to close by reason of a party's default, the defaulting party shall be liable for all Escrow cancellation charges, including but not limited to the costs of the title examination, Title Commitment and escrow fee. In the event the Escrow shall fail to close due to the failure of a Closing condition set forth below that is not caused by a default of one of the parties, each party shall pay one-half (1/2) of any Escrow cancellation charges.

ARTICLE 5
SELLER'S OBLIGATIONS

5.1 General Operation of the Business. If the Business is currently open and operating as of the Effective Date, Seller shall operate the Business or cause the Business to be operated after the Effective Date in the reasonable discretion of the Receiver, solely in her capacity as Receiver.

ARTICLE 6
CLOSING

6.1 Escrow. The Closing of the purchase and sale of the Purchased Assets shall be consummated through Escrow in accordance with the provisions of this ARTICLE 6.

6.2 Escrow Instructions for Closing. This Agreement shall constitute joint instructions to Escrow Holder. The parties agree to execute and deliver to the Escrow Holder reasonable and customary additional escrow instructions in the usual form of Escrow Holder for the purpose of consummating the purchase and sale contemplated by this Agreement; provided, however, that standard extension provisions in such escrow instructions shall not apply; and provided, further, that in the event of any conflict between this Agreement and any escrow instructions, the provisions of this Agreement shall control. Escrow Holder shall perform all customary functions of an escrow holder to consummate this transaction, including among other duties the calculation of the prorations and Closing Costs (as defined in Section 6.7 below)

required by this Agreement, as well as serving as depository for all funds, instruments, and documents needed for the Close of Escrow. Upon the Closing, Escrow Holder is hereby instructed to remit all sales proceeds from the sale of the Purchased Assets to an interest-bearing account maintained at a federally insured bank or savings and loan association established by Seller, which sales proceeds shall be held and distributed in the manner set forth in the "Order Approving the Sale". For the sake of clarity, Escrow Holder's remittance of all sales proceeds from the sale of the Purchased Assets pursuant to the manner set forth in the foregoing sentence shall mean that such sales proceeds shall be remitted to Receiver.

6.3 Closing Conditions.

(a) Buyer's obligation to close is subject to satisfaction of the following conditions, which are for the benefit of Buyer and may be waived by Buyer in its sole discretion:

(i) Intentionally omitted; and

(ii) Seller shall not, as of the Closing Date, be in material default in the performance of its obligations under this Agreement.

(b) Seller's obligation to close is subject to satisfaction of the following conditions, which are for the benefit of Seller and may be waived by Seller in its sole discretion:

(i) All representations and warranties made by Buyer in this Agreement shall be true when made and shall be true as of the Closing Date, without any material adverse change, except for any material adverse change of which Buyer has notified Seller and which Seller has accepted;

(ii) All of the documents and funds required to be delivered by Buyer to Seller or Escrow Holder (as the case may be) at the Closing pursuant to the terms and conditions hereof shall have been delivered;

(iii) Seller shall have received all consents, documentation and approvals necessary to consummate and facilitate the transactions contemplated hereby, including, without limitation, approval of the sale of the Purchased Assets to Buyer from the Court and as may be required by law; and

(iv) Buyer shall not, as of the Closing Date, be in default in the performance of its obligations under this Agreement.

(c) In addition to the foregoing, Buyer's and Seller's respective obligations to Close are subject to the approval of the transaction contemplated herein by the Court, which approval shall be a condition for the benefit of both Buyer and Seller and may not be unilaterally waived by either party.

(d) If the purchase and sale fails to close by the Closing Date due to a failure of a condition, the party for whose benefit the condition is set forth may terminate this Agreement at any time thereafter until the Closing occurs, so long as the failure of condition is not caused by such party's breach of its obligations under this Agreement. If Buyer so terminates in connection

with the condition set forth in Section 6.3(a)(ii), above (only), then Buyer shall be entitled as its sole and exclusive remedy to the return of the Earnest Money Deposit. If Seller so terminates, Seller shall be entitled to retain the Earnest Money Deposit.

6.4 Buyer's Deliveries. No later than one (1) business day prior to the Closing Date, Buyer shall deliver to Escrow Holder:

(a) The difference between the Purchase Price and the Earnest Money Deposit, and all costs and fees required to be paid by Buyer pursuant to Sections 6.6 and 6.7 below, all in Immediately Available Funds;

(b) A title affidavit (or at Buyer's option an indemnity) pertaining to Buyer's activity on the Real Property prior to Closing, in the customary form reasonably acceptable to Buyer, to enable Title Company to delete the standard exceptions to the title insurance policy set forth in this Agreement to be issued pursuant to the Title Report;

(c) Any declaration or other statement which may be required to be submitted to the local assessor with respect to the terms of the sale of the Real Property;

(d) A closing statement executed by Buyer;

(e) A countersigned counterpart of the Bill of Sale in the form attached as Exhibit "D" (the "**Bill of Sale**");

(f) A countersigned counterpart of a General Assignment in the form attached as Exhibit "E" (the "**General Assignment**");

(g) Copies of letters from the relevant vendors evidencing Buyer's assumption of the Assigned Contracts;

(h) Resolutions, certificates of good standing, and such other organizational documents, in form acceptable to the Title Company, authorizing the execution, delivery and performance by Buyer of this Agreement and designating one or more members to execute documents on Buyer's behalf in connection with this transaction;

(i) A countersigned counterpart of the Assignment of Membership Agreements in the form attached as Exhibit "G" (the "**Assignment of Membership Agreements**"); and

(j) Such other documents and instruments as may be reasonably requested by Seller or by the Escrow Holder in order to consummate this transaction.

6.5 Seller's Deliveries. No later than one (1) business day prior to the Closing Date, Seller shall deliver to Escrow Holder:

(a) A fully executed and acknowledged grant deed in the form attached as Exhibit "F" conveying the Land to Buyer;

(b) A closing statement executed by Seller;

(c) A countersigned counterpart of the Bill of Sale;

(d) A countersigned counterpart of the General Assignment;

(e) A countersigned counterpart of the Assignment of Membership Agreements; and

(f) Such other documents and instruments as may be required herein or reasonably requested by the Escrow Holder in order to consummate this transaction.

6.6 Prorations.

(a) **General.** All normal and customarily proratable items, including, without limitation, collected rents, operating expenses, all current installments of real estate taxes, assessments, bonds and personal property or use taxes, if any, shall be prorated as of the Closing Date. If, however, subsequent to the Close of Escrow, by reason of any change in assessment or change in rate or any other reason, the real estate taxes for the fiscal year covered by such apportionment should be determined to vary from those apportioned, the amount of any refund received by, or payment due from, Buyer shall be apportioned between Seller and Buyer as of the Closing Date at the request of either party. Escrow Agent shall prepare and deliver to Seller and Buyer a proration schedule (the "**Proration Schedule**") of the adjustments described in this Section 6.6 no later than two (2) days prior to Closing. Such adjustments shall be paid by Buyer to Seller (if the prorations result in a net credit to Seller) or by Seller to Buyer (if the prorations result in a net credit to Buyer), by increasing or reducing the cash to be paid by Buyer at the Closing. Any apportionments and prorations which are not expressly provided for below shall be made in accordance with customary practice in Sonoma County, California.

(b) **Operating Expenses.** All of the operating, maintenance, taxes (other than real estate taxes, such as rental taxes), and other expenses incurred in operating the Business that Seller customarily pays, and any other costs incurred in the ordinary course of business for the management and operation of the Business, shall be prorated on an accrual basis. Seller shall pay all such expenses that accrue prior to Closing and Buyer shall pay all such expenses that accrue from and after the Closing Date.

(c) **Utilities.** The final readings and final billings for utilities will be made if possible as of the Closing Date, in which case Seller shall pay all such bills as of the Closing Date and no proration shall be made at the Closing with respect to utility bills. Otherwise, a proration shall be made based upon the parties' reasonable good faith estimate and a readjustment made within thirty (30) days after the Closing, if necessary. Seller shall be entitled to the return of any deposit(s) posted by it with any utility company, and Seller shall notify each utility company serving the Business to terminate Seller's account, effective as of noon on the Closing Date.

(d) **Real Estate Taxes.** Any real estate ad valorem or similar taxes for the Real Property, or any installment of assessments payable in installments which installment is payable in the calendar year of Closing, shall be prorated to the date of Closing, based upon actual days involved. The proration of real property taxes or installments of assessments shall be based upon the assessed valuation and tax rate figures (assuming payment at the earliest time to allow for the maximum possible discount) for the year in which the Closing occurs to the extent the same are

available; provided, however, that in the event that actual figures (whether for the assessed value of the Real Property or for the tax rate) for the year of Closing are not available at the Closing Date, the proration shall be made using figures from the preceding year (assuming payment at the earliest time to allow for the maximum possible discount). The proration of real property taxes or installments of assessments shall be final and not subject to re-adjustment after Closing.

(e) **Insurance Premiums.** No proration shall be made in relation to insurance premiums and insurance policies will not be assigned to Buyer.

(f) **No Post-Closing Adjustments.** Buyer and Seller hereby acknowledge and agree that neither Buyer nor Seller shall have any right to re-adjust any item on the Proration Schedule (or any item omitted therefrom) after the Closing. The provisions of this section shall survive the Closing and delivery of the grant deed to Buyer.

(g) **Membership Agreement Rentals**. All non-delinquent rents (including all accrued tax, utility, insurance and operating expense pass-throughs), charges and revenue of any kind receivable from the Membership Agreements will be prorated at Closing. Seller will receive all rents (including all accrued tax, utility and operating expense pass-throughs), charges and other revenue of any kind receivable from the Membership Agreements up to, and including, the Closing Date. No proration will be made with respect to any delinquent rents of any kind receivable from the Membership Agreements for any period before Closing. All amounts collected by Buyer subsequent to Closing relating to delinquent rents will be promptly remitted to Seller. Seller will retain all ownership rights relating to any such delinquent rents; if Buyer has not collected the same within thirty (30) days from the Closing Date, then Seller may take such action as it deems necessary to collect such delinquent rents, including the commencement of an action against the members under the Membership Agreements or any other person liable for such delinquent rents, but not including any action for unlawful detainer or other action seeking to terminate such member's occupancy of its premises. There shall not be any reconciliation of operating expenses and other charges and expenses are payable by members under the Membership Agreements after the Closing. After the Closing, Buyer shall be solely liable and responsible to the members under the Membership Agreements for reconciliation of operating expenses and other charges and expenses are payable by members under the Membership Agreements. Buyer's obligations under this Section 6.6(g) shall survive the Closing and delivery of the grant deed to Buyer.

6.7 Closing Costs. Seller shall pay: (a) the premium for a standard CLTA Owner's Policy of Title Insurance; (b) all County documentary transfer taxes; and (c) one-half (1/2) of all Closing Costs. Buyer shall pay: (i) any additional premium for an ALTA Policy of Title Insurance, if Buyer elects to receive same and the cost of any survey and/or title endorsements desired by Buyer; and (ii) one-half (1/2) of Closing Costs. Any other costs or expenses of the Escrow shall be borne by the parties in accordance with customary practice in Sonoma County, California. For purposes of this Agreement, "**Closing Costs**" shall mean escrow fees, city documentary transfer taxes, document preparation charges and acknowledgment and recording costs, but shall not include any attorneys' fees or other such costs and expenses incurred separately by Buyer or Seller.

6.8 Possession Upon Close of Escrow. Seller shall deliver possession of the Purchased Assets to Buyer (subject to the Assigned Contracts identified by Buyer pursuant to the terms above) upon the Close of Escrow.

6.9 Termination of this Agreement. In the event this Agreement is terminated in accordance with the provisions of Sections 6.3(d), 12.1(a), 12.2(a), 14.5 or 15, (i) any documents deposited with Escrow Holder shall be returned to the party depositing the same; (ii) Buyer shall return to Seller all documents delivered by Seller to Buyer pursuant to this Agreement and any Third-Party Reports; and (iii) unless otherwise specifically provided elsewhere, the Buyer shall pay all Escrow, title, and other costs, if any, incurred in connection with cancellation of the Escrow. If this Agreement is not so terminated, Buyer shall go forward with the acquisition of the Purchased Assets as provided in this Agreement and the Earnest Money Deposit shall be non-refundable, except in the event of Seller's default prior to the Close of Escrow.

6.10 Waiver of "Bulk Sale" Provisions. Buyer and Seller hereby acknowledge and agree that the sale of the Purchased Assets shall not be made as a "bulk sale" under Sections 6101 *et seq*. of the California Commercial Code, that there shall be no separate escrow or sub-escrow for the sale of any portion of the Purchased Assets, and that no "bulk sale" notice pursuant to Section 6105 of the California Commercial Code shall be given by Escrow Holder or the parties in connection with the transfer of any portion of the Purchased Assets. Seller represents and warrants to Buyer that Seller's principal business is not the sale of inventory from stock or that of a restaurant owner.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF BUYER

7.1 Representations and Warranties of Buyer. Buyer represents and warrants as follows:

(a) **Authority.** The execution and delivery of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized and approved by all requisite action of Buyer, and no other authorizations or approvals, whether of governmental bodies or otherwise, will be necessary in order to enable Buyer to enter into or to comply with the terms of this Agreement.

(b) **Binding Effect of Documents.** This Agreement and the other documents to be executed by Buyer hereunder, upon execution and delivery thereof by Buyer, will have been duly entered into by Buyer, and will constitute legal, valid and binding obligations of Buyer. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Buyer is a party or by which it is bound.

(c) **Representation Regarding Broker.** The Seller's Broker, the Buyer's Broker and their respective affiliates do not, and will not at the Closing, have any direct or indirect legal, beneficial, economic or voting interest in Buyer (or in an assignee of Buyer, which pursuant to Section 14.4, acquires the Purchased Assets at the Closing), nor has Buyer or any affiliate of Buyer granted (as of the Effective Date or the Closing Date) the Seller's Broker or the Buyer's

Broker or any of their respective affiliates any right or option to acquire any direct or indirect legal, beneficial, economic or voting interest in Buyer.

(d) **No Pending or Threatened Litigation.** No pending or threatened litigation exists which if determined adversely would restrain the consummation of the transactions contemplated by this Agreement or would declare illegal, invalid or non-binding any of Buyer's obligations or covenants to Seller.

(e) **Survival of Buyer's Representations and Warranties.** All warranties and representations of Buyer set forth in this Agreement shall survive for a period of six (6) months following the Closing Date and any claim with respect to a breach of any representation or warranty made or given by Buyer shall be initiated in accordance with the provisions of ARTICLE 10 within six (6) months of the Closing Date or such claim shall be forever barred.

ARTICLE 8
"AS IS" SALE

8.1 Independent Investigation. Buyer shall have independently investigated, analyzed and appraised the value, profitability and condition of the Purchased Assets, including, without limitation, the geological and soil condition of the Purchased Assets, the fitness or suitability of the Purchased Assets for Buyer's intended use of the Purchased Assets and all environmental matters relating to the Purchased Assets (including, but not limited to, the presence or absence of hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws), without relying on any representations of any kind (whether oral or written, express or implied) made by Seller to Buyer. Buyer is purchasing the Purchased Assets in its "AS IS, WHERE IS" condition as of the Effective Date solely in reliance upon Buyer's own investigations and evaluation thereof and without any representation or warranty by Seller as to the condition of the Purchased Assets.

8.2 AS-IS Purchase; No Side Agreements Or Representations. Buyer acknowledges and agrees that Buyer has independently and personally inspected the Purchased Assets, and the improvements, entitlements, plans and specifications related to the Purchased Assets, Buyer has elected to go forward with the purchase of the Purchased Assets on the basis of such personal examinations and inspections as Buyer has deemed appropriate to make. Buyer agrees that **AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY SELLER, BUYER IS PURCHASING THE PURCHASED ASSETS IN AN "AS IS" AND "WHERE IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS**. No person acting on behalf of Seller is authorized to make, and by execution hereof Buyer acknowledges and agrees that, except as specifically provided in this agreement, Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of and to, concerning or with respect to:

(i) the value of the Purchased Assets;

(ii) the income to be derived from the Purchased Assets;

(iii) the suitability of the Purchased Assets for any and all activities and uses which Buyer may conduct thereon, including without limitation any development of any or all of the Purchased Assets;

(iv) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Purchased Assets;

(v) the manner, quality, state of repair, or lack of repair, of the Purchased Assets;

(vi) the nature quality or condition of the Land or any of the other Purchased Assets, as applicable, including without limitation, the water, soil and geology;

(vii) the compliance of or by the Purchased Assets or the operation of the Purchased Assets with any laws, rules, ordinances, or regulations of any applicable governmental authority or body;

(viii) the manner, condition, or quality of the construction or materials, if any, incorporated into the Purchased Assets;

(ix) compliance with any environmental protection, pollution or land use laws, rules, regulation, orders or requirements, including but not limited to, the Endangered Species Act, Title III of the Americans With Disabilities Act of 1990, and any other law, rule or regulation governing access by disabled persons;

(x) the presence or absence of hazardous or toxic substances at, on, under, or adjacent to the Land;

(xi) the content, completeness or accuracy of the due diligence materials, including any informational package, document list or other materials prepared by Seller;

(xii) the conformity of the improvements to any plans or specifications for the Real Property, including any plans and specifications that may have been or may be provided to Buyer;

(xiii) the conformity of the Real Property to past, current or future applicable zoning or building requirements;

(xiv) deficiency of any undershoring;

(xv) deficiency of any drainage;

(xvi) the fact that all or a portion of the Purchased Assets may be located on or near an earthquake fault line or located in an Alquist-Priolo Special Study Zone;

(xvii) the existence of land use zoning or building entitlements affecting the Real Property;

(xviii) deficiency of any access to the Land and/or Improvements; and

(xix) with respect to any other matter concerning the Purchased Assets, except as may be otherwise expressly stated herein, including any and all such matters referenced discussed or disclosed in any documents delivered by Seller to Buyer, in any public records of any governmental agency, entity or utility company, or in any other documents available to Buyer.

Buyer acknowledges and agrees that the opportunity to inspect the Purchased Assets and review information and documentation respecting the Purchased Assets (including that disclosed in the Acknowledgment) as provided in this Agreement is sufficient to allow the Buyer to make an adequate investigation of the Purchased Assets and that Buyer is relying solely on its own investigation of the Purchased Assets and review of such information and documentation, and not, on any information provided or to, be provided by Seller. Buyer further acknowledges and agrees that any information made available to Buyer or provided or to be provided by or on behalf of Seller with respect to the Purchased Assets was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and make no representations as to the accuracy or completeness of such information except as may otherwise be provided herein. Buyer agrees to fully and irrevocably release all such sources of information and preparers of information and documentation to the extent such sources or preparers are Seller, or its employees, members, officers directors, representatives, agents, servants, attorneys, affiliates, parent companies, subsidiaries, successors or assigns, from any and all claims that it may now have or hereafter acquire against such sources and preparers of information for any costs, loss, liability, damage, expense, demand, action or cause of action arising from such information or documentation. Seller is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Purchased Assets or the operation thereof furnished by any of the foregoing entities and individuals or any other individual or entity. Buyer further acknowledges and agrees that to the maximum extent permitted by law, the sale of the Purchased Assets as provided for herein is made on an "AS-IS" condition and basis, with all faults, and that Seller has no obligations to make repairs, replacements or improvements.

8.3 NO LIABILITY TO RECEIVER. WITHOUT LIMITATION OF THE FOREGOING, AS AN ESSENTIAL INDUCEMENT TO RECEIVER TO ENTER INTO THIS AGREEMENT, AND AS PART OF THE DETERMINATION OF THE CONSIDERATION GIVEN HEREUNDER, BUYER ACKNOWLEDGES, UNDERSTANDS AND AGREES AS FOLLOWS:

(a) BUYER ACKNOWLEDGES AND AGREES THAT RECEIVER IS ENTERING INTO THIS AGREEMENT SOLELY IN CONNECTION WITH HIS OR HER DUTIES AS RECEIVER PURSUANT TO THE ORDERS. IN NO EVENT SHALL RECEIVER BE LIABLE FOR ANY ERROR OF JUDGMENT OR ACT DONE BY RECEIVER, OR BE OTHERWISE RESPONSIBLE OR ACCOUNTABLE UNDER ANY CIRCUMSTANCE WHATSOEVER, EXCEPT IF THE RESULT OF RECEIVER'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT. RECEIVER SHALL NOT BE PERSONALLY LIABLE IN CONNECTION WITH ANY DUTIES PERFORMED BY RECEIVER PURSUANT TO THE ORDERS.

(B) NO PROVISION OF THIS AGREEMENT SHALL OPERATE TO PLACE ANY OBLIGATION OR LIABILITY FOR THE CONTROL, CARE, MANAGEMENT OR REPAIR OF THE PURCHASED ASSETS UPON RECEIVER NOR SHALL IT OPERATE TO MAKE RECEIVER RESPONSIBLE OR LIABLE FOR ANY WASTE COMMITTED ON THE REAL PROPERTY BY ANY PERSON OR FOR ANY DANGEROUS OR DEFECTIVE CONDITION OF THE PURCHASED ASSETS OR FOR ANY NEGLIGENCE IN MANAGEMENT, UPKEEP, REPAIR OR CONTROL OF THE PURCHASED ASSETS RESULTING IN LOSS OR INJURY OR DEATH TO ANY PERSON.

8.4 Survival. The provisions of this ARTICLE 8 shall survive the Close of Escrow indefinitely or until the maximum extent allowed under applicable laws.

ARTICLE 9
RELEASE AND INDEMNITY

9.1 Release. To the maximum extent permitted by law, Buyer, on behalf of itself and its past, present and future agents, representatives, partners, shareholders, principals, attorneys, affiliates, parent corporations, subsidiaries, officers, directors, employees, predecessors, successors, heirs and executors and assigns (collectively, "**Buyer's Parties**"), hereby releases and forever discharges Seller, and each of their respective past, present and future agents (including Receiver and Seller's Broker (as defined herein), representatives, partners, attorneys', shareholders, principals, affiliates, parent corporations, subsidiaries, officers, directors, employees, predecessors, successors, heirs, executors and assigns (collectively, "**Indemnitees**"), from and against all claims, rights, remedies, recourse or other basis for recovery, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs) ("**Claims**"), whether direct or indirect, known or unknown, foreseen, whether before or after the Closing Date, including without limitation any loss, damage, injury, illness, death or other claim attributable to: (a) the use of the Purchased Assets or any part thereof; (b) a defect in the design or construction of any improvements on or about the Purchased Assets or the physical condition of the Purchased Assets, including without limitation the grading of the Land or land adjacent to the Land, whether or not performed by an Indemnitee, and any surface and subsurface conditions; (c) the presence on the Land of any threatened or endangered species, or any archaeological sites, artifacts or other matters of archaeological significance, or any hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601, et seq.) or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters; (d) any act, omission or representation of Buyer or any of Buyer's Parties; (e) any accident or casualty on the Real Property caused by or attributable to the acts or omissions of any Indemnitees, Buyer or Buyer's Parties on or about the Real Property; (f) a violation or alleged violation by any Indemnitee, Buyer, or Buyer's Parties of any law now or hereinafter enacted, including, without limitation, any requirements of the City; (g) a slope failure or surface or subsurface geologic or groundwater condition caused by or attributable to any Indenmitee, Buyer or Buyer's Parties; (h) the design, construction, engineering or other, work with respect to the Real Property provided or performed by or caused by or attributable to any Indenmitee, Buyer or Buyer's Parties, whether before or after the Closing Date; (i) any other cause

whatsoever in connection with Buyer's use of the Purchased Assets or Buyer's performance under the Agreement or any of the instruments executed and delivered at the Closing in connection herewith; (j) any breach by Buyer in the performance of its obligations under this Agreement or the other instruments executed and delivered at the Closing in connection herewith; or (k) the application of the principles of strict liability in connection with the Purchased Assets (collectively, the "**Released Claims**"). Notwithstanding the foregoing, the Buyer shall not be required to or be deemed to have waived any Claims against any particular Indemnitee from an event which arises from a pre-existing relationship or claim between the Buyer and such Indemnitee.

With respect to this release and discharge, Buyer, on behalf of itself and all of Buyer's Parties, hereby acknowledges that the Released Claims may include Claims of which Buyer is presently unaware, or which Buyer does not presently suspect to exist, or which may not yet have accrued or become manifest, and which, if known by Buyer on the Effective Date or the Closing Date would materially affect Buyer's release and discharge of Seller and the other Indemnitees, and Buyer, on behalf of itself and all of Buyer's Parties, hereby waives application of the California Civil Code Section 1542 which provides as follows:

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

Buyer understands and acknowledges that the significance and consequence of this waiver of California Civil Code Section 1542 is that, even if Buyer or any of Buyer's Parties suffer future damages arising out of or resulting from any Released Claims, neither Buyer nor any of Buyer's Parties will be able to make any claim for those damages against Seller or any other Indemnitee. Furthermore, Buyer acknowledges that it intends these consequences for any such Claims which may exist as of the date of this release but which Buyer does not know exist, and which, if known, would materially affect Buyer's decision to execute this Agreement, regardless of whether Buyer's lack of knowledge is the result of ignorance, oversight, error, negligence or any other cause.

Buyer's initials

9.2 Survival. The provisions of this ARTICLE 9 shall survive the Close of Escrow indefinitely or until the maximum extent allowed under applicable laws.

ARTICLE 10
DISPUTE RESOLUTION

10.1 Court Trial. Each party to this Agreement hereby expressly waives any right to trial by jury with respect to any claim, demand, action or cause of action (a) arising under this Agreement, including, without limitation, any present or future modification thereof, or (b) in any way connected with or related or incidental to the dealings of the parties hereto or any of them

with respect to this Agreement (as now or hereafter modified) or any other instrument, document or agreement executed or delivered in connection herewith, or the transactions related hereto or thereto, in each case whether such claim, demand, action or cause of action is now existing or hereafter arising, and whether sounding in contract or tort or otherwise; and each party hereby agrees and consents that any such claim, demand or cause of action shall be decided by court trial without a jury, and that any party to this Agreement may file an original counterpart or a copy of this section with any court as written evidence of the consent of the parties hereto to the waiver of any right they might otherwise have to trial by jury. The parties shall be entitled to recover only their actual damages, and no party shall be entitled to recover any consequential damages, punitive damages, or any other damages that are not actual damages.

10.2 Venue. Any action shall be commenced and maintained in the Court. The parties irrevocably consent to jurisdiction and venue in such Court and agree not to seek transfer or removal of any action commenced in accordance with the terms of this article.

ARTICLE 11
NATURAL HAZARD DISCLOSURE STATEMENT

11.1 Buyer's Acknowledgment. Buyer acknowledges that: (a) it is a sophisticated and experienced purchaser of real property; (b) Buyer and Seller are parties of equal bargaining strength; (c) this Agreement is not a contract of adhesion but has been expressly negotiated between the parties; and (d) this Agreement concerns a transaction that is private in nature. Buyer further acknowledges that it has the opportunity to make, has made or will make its own independent investigations, as provided in this Agreement, and that the opportunity for investigation provided herein allows the Buyer to determine, among other issues, whether the Land is located in any natural hazard areas.

11.2 Waiver of Natural Hazard Disclosure Statement. Notwithstanding anything to the contrary below, Buyer hereby knowingly, voluntarily and intentionally waives its right to disclosure of natural hazards found in the Natural Hazard Disclosure Act, California Government Code Sections 8589.3, 8589.4, and 51183.5, California Public Resources Code Sections 2621.9, 2694, and 4136, and California Civil Code Section 1103, and any successor statutes or laws (the "**Act**"). This waiver is a material inducement to Seller's decision to enter into this Agreement and the calculation of the Purchase Price, and Buyer acknowledges that Seller would not have entered into this Agreement but for this waiver.

11.3 Natural Hazard Disclosure Statement. Buyer acknowledges that, prior to the Effective Date, Buyer has received and executed the Natural Hazard Disclosure Statement ("**Disclosure Statement**"). Buyer acknowledges that the Disclosure Statement is being delivered pursuant to the Act. Buyer acknowledges and agrees that nothing contained in the Disclosure Statement shall release Buyer from its obligation to fully investigate the condition of the Real Property, including without limitation whether the Real Property is located, in any natural hazard areas, and that Buyer has the expertise to perform such investigations. Buyer further acknowledges and agrees that the matters set forth in the Disclosure Statement may change on or prior to the Close of Escrow and that Seller has no obligation to update, modify or supplement the Disclosure Statement. Buyer shall be solely responsible for preparing and delivering its own Natural Hazard Disclosure Statement to any subsequent prospective purchasers of the Real Property.

ARTICLE 12
CONDEMNATION AND DESTRUCTION

12.1 Eminent Domain or Taking. If proceedings under a power of eminent domain relating to the Land or any part thereof are commenced prior to Close of Escrow, Seller shall promptly notify Buyer in writing and the following terms shall apply:

(a) If such proceedings involve the taking of title to all or a Material (as defined below) portion of the Land, Buyer may elect to terminate this Agreement by written notice given within ten (10) days of Seller's written notice to Buyer advising of such proceedings, in which case neither party shall have any further rights or obligations hereunder, except for those which are expressly stated to survive termination of this Agreement or which are contained in Section 6.9.

(b) If the proceedings do not involve the taking of title to all or a Material portion of the Land, or if Buyer does not elect to terminate this Agreement, this transaction shall be consummated as described herein and any award or settlement payable with respect to such proceeding shall be paid or assigned to Buyer upon Close of Escrow.

(c) If the purchase and sale of the Purchased Assets is not consummated for any reason, any condemnation award or settlement shall belong solely to Seller.

12.2 Damage or Destruction. Except as provided in this section, prior to the Close of Escrow, the entire risk of loss of damage by earthquake, landslide, fire or other casualty shall be borne and assumed solely by Seller. If, prior to the Close of Escrow any part of the Land or improvements thereon is damaged or destroyed by earthquake, landslide, fire or other casualty, Seller shall promptly inform Buyer of such fact in writing and advise Buyer as to the extent of the damage and whether it is, in Seller's reasonable opinion, "Material" or "not Material." The following terms shall apply:

(a) If such damage or destruction is "Material," Buyer shall have the option to terminate this Agreement upon written notice to Seller given not later than ten days after receipt of Seller's written notice to Buyer advising of such damage or destruction.

(b) If Buyer does not elect to terminate this Agreement, or if the damage or destruction is not "Material," Seller shall reduce the Purchase Price by the value reasonably estimated by Seller to repair or restore the damaged portion of such Land or improvements, less any sums expended by Seller to make emergency repairs to such Land or improvements or to otherwise protect the physical condition of such Land or improvements, and this transaction shall close pursuant to the terms of this Agreement.

(c) If the damage is not "Material," Seller's notice to Buyer of the damage or destruction shall also set forth Seller's reduced Purchase Price and Seller's allocation of value to the damaged portion of such improvements. If Buyer does not accept Seller's reduced Purchase Price, Seller may elect to repair or restore the damaged portion of such improvements. If Seller elects to repair or restore the damage, then Buyer shall proceed to the Closing. If Seller does not elect to repair or restore the damage, and Buyer does not accept Seller's reduced Purchase Price Buyer's sole remedy shall be to terminate this Agreement. If Buyer elects to terminate the Agreement pursuant to this Section 12.2(c), the provisions of Section 6.9 shall apply.

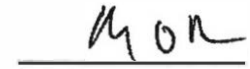
(d) Whether or not the sale of the Purchased Assets is consummated hereunder, all rights to insurance claims or proceeds with respect to any damage to or destruction of any improvements occurring prior to the Close of Escrow shall belong to Seller.

12.3 Definition of Material. As used in this ARTICLE 12, "**Material**" shall mean any taking, condemnation, damage or destruction to or of the Land, as applicable, which causes the temporary closing of the Land for a period of five (5) days or more and costs more than Fifty Thousand Dollars ($50,000.00) to repair.

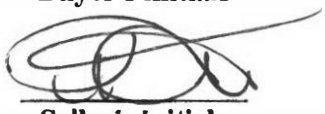
ARTICLE 13
DEFAULT BY BUYER

13.1 DEFAULT BY BUYER. UPON DEFAULT BY BUYER, SELLER SHALL BE ENTITLED TO TERMINATE THIS AGREEMENT UPON WRITTEN NOTICE TO BUYER AND THE ESCROW HOLDER. IN SUCH EVENT, ESCROW HOLDER SHALL RELEASE THE EARNEST MONEY DEPOSIT TO SELLER, AND SELLER SHALL BE ENTITLED TO RECEIVE AND RETAIN THE EARNEST MONEY DEPOSIT AS LIQUIDATED DAMAGES AND, EXCEPT FOR BUYER'S INDEMNITY AND OTHER SPECIFIC OBLIGATIONS REFERRED TO HEREIN WHICH MAY BE ENFORCED BY SELLER, NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER. IN THE EVENT THE CLOSING DOES NOT OCCUR BECAUSE OF BUYER'S DEFAULT, BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE OF THE PURCHASED ASSETS PURSUANT TO THIS AGREEMENT, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE EFFECTIVE DATE, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH DEFAULT; PROVIDED, HOWEVER, THAT THIS PROVISION SHALL NOT: (A) LIMIT SELLER'S RIGHT TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' FEES; (B) WAIVE OR AFFECT BUYER'S INDEMNITY OBLIGATIONS AND SELLER'S RIGHTS TO SUCH INDEMNITY; OR (C) WAIVE OR AFFECT BUYER'S OBLIGATIONS TO RETURN OR PROVIDE TO SELLER DOCUMENTS, REPORTS OR OTHER INFORMATION PROVIDED TO OR PREPARED BY OR FOR BUYER PURSUANT TO APPLICABLE PROVISIONS OF THIS AGREEMENT. THEREFORE, BUYER AND SELLER DO HEREBY AGREE THAT AS OF THE EFFECTIVE DATE, A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PURCHASED ASSETS IS AN AMOUNT EQUAL TO THE EARNEST MONEY DEPOSIT (WHICH INCLUDES ANY ACCRUED INTEREST THEREON). SAID AMOUNT SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO

CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. SELLER HEREBY WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 3389.



Buyer's initials



Seller's initials

13.2 Default by Seller; Unsuccessful Bidder. Subject to Section 8.3, if the sale of the Purchased Assets is not consummated because of a material default by Seller under this Agreement or because Buyer is not the High Bidder, Buyer's sole remedy shall be to terminate this Agreement and recover the Earnest Money Deposit and interest accrued thereon.

ARTICLE 14
MISCELLANEOUS PROVISIONS

14.1 Brokerage Commissions. Seller represents and warrants to Buyer that Seller has not engaged any broker or finder in connection with the transaction contemplated by this Agreement other than Sara Wann of Keegan & Coppin Company, Inc. ("**Seller's Broker**"), whose commission (if the Closing occurs) shall be paid pursuant to a separate agreement entered into by Seller and Seller's Broker. Buyer represents and warrants to Seller that Buyer has not engaged any broker or finder in connection with the transaction contemplated by this Agreement other than Cornish & Carey Commercial, doing business as "Newmark Knight Frank" ("**Buyer's Broker**"). Buyer shall indemnify, defend and hold Seller and Seller's Broker harmless from and against any liability, cost or expense arising out of or connected with any claim for any commission or compensation made by any person or entity claiming to have been retained or contacted by Buyer in connection with, this transaction, and Seller shall indemnify, defend and hold Buyer harmless from and against any liability, cost or expense arising out of or connected with any claim for any commission or compensation made by any person or entity claiming to have been retained or contacted by Seller in connection with this transaction. This indemnity provision shall survive the Closing or any earlier termination of this Agreement. Seller's Broker and Buyer's Broker shall not be deemed parties or third party beneficiaries of this Agreement. As a condition to Seller's obligation to pay the commission pursuant to this Section 14.1, each of Seller's Broker and Buyer's Broker shall execute the respective signature page for each such broker attached hereto solely for purposes of confirming the matters set forth therein; provided, however, that (a) such signatures hereon of Seller's Broker and Buyer's Broker shall not be a prerequisite to the binding nature of this Agreement on Buyer and Seller, and the same shall become fully effective upon execution by Buyer and Seller, and (b) neither the signature of Seller's Broker nor Buyer's Broker will not be necessary to amend any provision of this Agreement.

14.2 Notices. All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by confirmed facsimile

transmission with an original copy thereof transmitted to the recipient by one of the means described in subsections (a) through (c) no later than three (3) business days thereafter. All notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by overnight courier or mail as aforesaid and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the addressor did not have either knowledge or written notice delivered in accordance with this paragraph, then the first attempted delivery shall be deemed to constitute delivery. Each party shall be entitled to change its address for notices from time to time by delivering to the other party notice thereof in the manner herein provided for the delivery of notices. All notices shall be sent to the addressee at its address set forth following its name below:

To Seller/Receiver:

Krista L. Freitag
E3 Advisors
355 South Grand Avenue, Suite 2450
Los Angeles, California 90071
E-mail: kfreitag@ethreeadvisors.com
Facsimile: (213) 943-1374

With a copy to:

Allen Matkins Leck Gamble Mallory & Natsis LLP
One America Plaza, 600 West Broadway, 27th Floor
San Diego, CA 92101-0903
Email: tfates@allenmatkins.com
Facsimile: (619) 233-1158
Attention: Ted G. Fates, Esq.

To Buyer:

140 KELLER STREET, LLC
Four Embarcadero Street, Suite 710
San Francisco, CA 94111
Email: mreinardy@fillmorecap.com
Attention: Michael O. Reinardy, Senior Vice President

14.3 Confidentiality. Unless otherwise agreed to in writing by Seller and Buyer, each party shall keep confidential all documents, contracts, prices, plans specifications, strategies, marketing programs, financial statements, reports or other information provided to, or generated by the other party relating to the Purchased Assets and shall not disclose any such information to any person other than: (a) employees, agents and attorneys of Seller or Buyer; (b) those who are actively and directly participating in the evaluation of the Purchased Assets, or the appraisal, investigation or financing of the purchase or construction of the Real Property; and (c) governmental, administrative, regulatory or judicial authorities in the investigation of the compliance of the Purchased Assets with applicable legal requirements. Buyer agrees to provide

this confidentiality provision to any consultant, contractor or employee to whom confidential information may be disclosed and shall require any such consultant, contractor or employee to be bound by this confidentiality provision. Buyer expressly covenants and agrees that it shall not disclose any code compliance, environmental or other regulatory matters to governmental or other authorities without the express prior written approval by Seller unless required by law, in which case Buyer shall immediately notify Seller thereof. Upon any termination of this Agreement for any reason, Buyer shall promptly return to Seller copies of all documents or other information pertaining to the Purchased Assets provided to Buyer by Seller. Notwithstanding anything to the contrary contained herein, Buyer hereby acknowledges that a copy of this Agreement shall be provided to Prospective Bidders (as defined below) in connection with the overbid process, in accordance with and subject to the terms and conditions of Article 15, below, and that in no event shall any such provision of this Agreement to Prospective Bidders be considered a violation of the confidentiality requirements set forth herein. Buyer also acknowledges that a copy of this Agreement shall be filed with the Court in connection with the Receiver's motion for Court approval of the sale. The provisions of this Section 14.3 shall survive the Closing or earlier termination of this Agreement.

14.4 Assignment. Buyer shall not assign this Agreement without obtaining Seller's prior written consent, which consent may be withheld by Seller in its sole and absolute discretion for any reason whatsoever.

14.5 Bankruptcy. Buyer agrees that in the event that: (a) all or substantially all of Buyer's assets are placed in the hands of a receiver or trustee, and such receivership or trusteeship continues for a period of thirty (30) days; (b) Buyer makes an assignment for the benefit of creditors; (c) Buyer is adjudicated a bankruptcy; (d) Buyer institutes any proceeding under any law relating to bankruptcy wherein Buyer seeks to be adjudicated a bankrupt, or to be discharged of its debts, or to effect a plan of liquidation, composition or reorganization; (e) an involuntary proceeding is filed against Buyer under any bankruptcy laws and Buyer consents thereto or acquiesces therein by pleading or default or such involuntary proceeding is not dismissed within ninety (90) days; or (f) substantially all of Buyer's assets are attached or seized by judicial order where such seizure is not discharged within thirty (30) days then: (i) Buyer shall be deemed to be in default hereunder, (ii) this Agreement, including without limitation the rights granted herein, shall not become an asset in any of such proceedings; (iii) in addition to all other available remedies it shall be lawful for Seller to declare this Agreement terminated; and (iv) Buyer shall have no further claim on the Purchased Assets hereunder or otherwise, and no right to return of its Earnest Money Deposit or any other payments or expenses incurred pursuant to this Agreement.

14.6 Not an Offer; Last Date for Submission. Seller's delivery of unsigned copies of this Agreement is solely for the purpose of review by the party to whom delivered, and neither the delivery nor any prior communications between the parties, whether oral or written, shall in any way be construed as an offer by Seller, nor in any way imply that Seller is under any obligation to enter the transaction which is the subject of this Agreement. The signing of this Agreement by Buyer constitutes an offer which shall not be deemed accepted by Seller unless and until Seller has signed this Agreement and delivered a duplicate original to Buyer.

14.7 Modification. This Agreement may not be modified or amended except by a written agreement executed by Seller and Buyer, and only to the extent set forth therein.

14.8 Attorneys' Fees. In the event any legal or equitable action is commenced in connection with this Agreement or the Purchased Assets, whether in contract or in tort, the prevailing party (as determined by the court) shall be entitled to recover from the losing party all reasonable costs and expenses incurred, including but not limited to reasonable attorneys' fees, in addition to all other relief and remedies to which the prevailing party may be entitled.

14.9 Successors and Assigns. Subject to the limitations on Buyer's right to assign, this Agreement shall be binding on, and shall inure to the benefit of, the successors and assigns of the parties.

14.10 Duplicate Counterparts. This Agreement may be executed in duplicate counterparts, all of which together shall constitute a single instrument, and each of which shall be deemed an original of this Agreement for all purposes, notwithstanding that less than all signatures appear on any one counterpart.

14.11 Section Headings. The various section headings in this Agreement are inserted for convenience of reference only, and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

14.12 Survival of Covenants, etc. Except as otherwise expressly provided herein, all agreements, conditions, acknowledgments, representations, and other obligations set forth in this Agreement shall merge with the grant deed and shall not survive the Close of Escrow.

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

14.14 No Recorded Memorandum. Prior to Close of Escrow, neither this Agreement nor any memorandum hereof or reference hereto shall be filed in any place of public record. Failure of Buyer to comply with this Section shall be a material default by Buyer under this Agreement and, at the election of Seller, shall automatically and immediately terminate all of Buyer's rights under this Agreement, and thereafter Buyer shall not have any right, title, or interest in or to the Purchased Assets whatsoever.

14.15 Exhibits. All Exhibits attached to, and to which reference is made in, this Agreement are incorporated into, and shall be deemed a part of, this Agreement.

14.16 Entire Agreement. This Agreement is the entire agreement of Seller and Buyer with respect to the Purchased Assets, containing all of the terms and conditions to which Seller and Buyer have agreed. This Agreement supersedes and replaces entirely all previous oral and written understandings, offers, counter offers, acceptances, if any, of Seller and Buyer respecting the Purchased Assets.

14.17 Time. Time is of the essence in this Agreement and each and every provision of this Agreement.

14.18 Governing Law and Forum. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. The exclusive forum for resolving disputes arising from or related to this Agreement, the overbid process (defined below) or closing of the sale shall be the Court in the Case.

14.19 Severability. If any term, provision, covenant or condition of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement shall continue in full force and effect and shall in no way be affected, impaired, or invalidated.

14.20 Joint Venture. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other agreement between Buyer and Seller. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

14.21 Signer's Warranty. Each individual executing and delivering this Agreement on behalf of a party hereby warrants and represents to the other party that he or she has been duly authorized and empowered to do so.

14.22 Multiple Buyers. As used in this Agreement, the term "Buyer" means all entities acquiring any interest in the Purchased Assets at the Closing, including, without limitation, any assignee(s) of the original Buyer. In the event that "Buyer" has any obligations or makes any covenants, representations or warranties under this Agreement, the same shall be made jointly and severally by all entities being a Buyer hereunder. In the event that Seller receives notice from any entity being a Buyer hereunder, the same shall be deemed to constitute notice from all entities being a Buyer hereunder. In the event that any entity being a Buyer hereunder takes any action, breaches any obligation or otherwise acts pursuant to the terms of this Agreement, the same shall be deemed to be the action of the other entity(ies) being a Buyer hereunder and the action of "Buyer" under this Agreement. In the event that Seller is required to give notice or take action with respect to Buyer under this Agreement, notice to any entity being a Buyer hereunder or action with respect to any entity being a Buyer hereunder shall be a notice or action to all entities being a Buyer hereunder. In the event that any entity being a Buyer hereunder desires to bring an action or arbitration against Seller, such action must be joined by all entities being a Buyer hereunder in order to be effective. In the event that there is any agreement by Seller to pay any amount pursuant to this Agreement to Buyer under any circumstance, that amount shall be deemed maximum aggregate amount to be paid to all parties being a Buyer hereunder and not an amount that can be paid to each party being a Buyer hereunder. In the event that Seller is required to return the Earnest Money Deposit or other amount to Buyer, Seller shall return the same to any entity being a Buyer hereunder and, upon such return, shall have no further liability to any other entity being a Buyer hereunder for such amount. The foregoing provisions also shall apply to any documents to be executed pursuant to the provisions of this Agreement.

ARTICLE 15
SALE PROCEDURES AND OVERBID, POTENTIAL AUCTION PROCESS

15.1 Due Diligence Information. After signing a Confidentiality and Non-Disclosure Agreement ("**NDA**") and Access Agreement, all prospective buyers ("**Prospective Buyers**") shall have had the opportunity to inspect the Purchased Assets and any documentation made available to all Prospective Buyers. Prospective Buyers may also request access to information about the Purchased Assets ("**Due Diligence Information**") and obtain a form purchase and sale agreement.

15.2 No Representations and Warranties for Due Diligence Information. Any Due Diligence Information provided to Prospective Buyers is for informational purposes only and provided without any warranty, guaranty or representation by Receiver, or Receiver's Broker. All Prospective Buyers shall conduct their own independent investigation and analysis regarding the condition of the Purchased Assets and their suitability for Prospective Buyers' intended use. Neither the Receiver, nor the Receiver's Broker has made any representations, express or implied, regarding the completeness or accuracy of the Due Diligence Information.

15.3 Receivership Sale Requirements for Sales of Real Property. There are specific statutory requirements that must be met before the Court will approve a sale of real property out of a federal receivership. The procedures set forth herein are designed to meet those requirements, one of which is that the Receiver must accept only the "highest and best" offer. The parties acknowledge it is a condition precedent to the Closing that Receiver obtain the Court Approval and the Receiver shall seek such approval from the Court. In accordance with the Recine/Sanchez PSA, Receiver shall, shortly after determining and announcing the highest and best offer, request a hearing date from the Court for the sale motion (the "**Hearing Date**"). Furthermore, in accordance with the Recine/Sanchez PSA, once a highest and best offer has been identified, the proposed sale will be published in San Diego Union Tribune for four consecutive weeks with the overbid information included therein. During the offer review process, Receiver will work to qualify all offerors as potential qualified overbidders.

15.4 Qualified Bidders. To be determined a qualified overbidder (a "**Qualified Bidder**"), one must: (i) provide a fully executed purchase and sale agreement for the Purchased Assets in form substantially similar to this Agreement ("**Qualified Bid PSA**"), acceptable to the Receiver in her sole discretion; (ii) provide an earnest money deposit (the "**Bid Deposit**") by wire transfer or cashier's check in the amount of Sixty-Six Thousand Dollars ($66,000.00) payable to the Receiver, which amount shall be *non-refundable* to the Qualified Bidder with the highest bid at the Auction (the "**High Bidder**") if for any reason (a) the High Bidder fails to finally close the purchase and sale such that title transfers by no later than the Closing Date or (b) the High Bidder fails to provide the balance of the purchase price to the Receiver one day prior to the Closing Date; and (iii) provide proof of funds in such form as shall be required by Receiver. Each Qualified Bidder must provide the Qualified Bid PSA and Bid Deposit to the Receiver no later than three (3) business days prior to the Auction. The Qualified Bidders shall appear at the Auction in person, or through a duly authorized representative. If there are multiple Qualified Bidders at the Auction, the Receiver shall obtain the Court's approval of the High Bidder and also the Qualified Bidder with the next highest bid at the Auction (the "**Backup Bidder**"). The Receiver shall retain the Backup Bidder's Bid Deposit until (a) the closing for the High Bidder occurs, in which event the Backup Bidder's Bid Deposit shall immediately be returned to the Backup Bidder, or (b) the

closing for the High Bidder fails to occur, in which event the Backup Bidder's Bid Deposit shall be applied to the purchase price for the Backup Bidder's closing as set forth herein below. If the High Bidder fails to close the purchase and sale of the Purchased Assets, the Backup Bidder shall be deemed to be the High Bidder and the Receiver shall provide written notice thereof to the Backup Bidder. Within ten (10) days after the Backup Bidder's receipt of such notice from the Receiver, the closing for the Backup Bidder's purchase of the Purchased Assets shall occur. Pursuant to the foregoing, if the initial High Bidder fails to close the purchase and sale of the Purchased Assets and the Court has approved a Backup Bidder, the Receiver shall proceed to close with the Backup Bidder without any obligation to conduct another auction as a condition precedent to such closing. The High Bidder's Bid Deposit shall be applied to the purchase price at closing, if the sale is approved by the Court and the High Bidder closes the purchase and sale of the Purchased Assets

15.5 Overbids, Bid Increments, and Auction. The minimum overbid shall be Two Million Seventy-Five Thousand Dollars ($2,075,000.00). If any overbids are received and are qualified, the Receiver will advise the Court of the overbid and will propose to the Court that the sale of the Purchased Assets be subject to an auction (the "**Auction**") conducted by the Receiver. As applicable, the Receiver will provide the Auction instructions to the Court and Qualified Bidders. Only Qualified Bidders (as defined below) may make bids at the Auction. All bids will be subject to overbids in increments of Twenty-Five Thousand Dollars ($25,000.00). The Court may reject any and all bids following conclusion of the Auction.

15.6 Consent to Court Jurisdiction and Waiver of Jury Trial. All Qualified Bidders appearing at the Auction shall have deemed to have consented to the Court's jurisdiction and waived any right to jury trial in connection with any disputes related to the Auction, or the closing of the sale. The Court shall be the exclusive forum for any such disputes.

15.7 Receiver's Right to Determine Conduct of Auction. The Receiver reserves the right to deny any person admittance to the Auction, to postpone or cancel the Auction, to withdraw the Purchased Assets from the Auction, and to change any terms or procedures of the Auction or the particular conditions of sale, as necessary, upon notice to Buyer, and any Qualified Bidders, prior to or at the Auction, without further Court order.

15.8 No Contingencies for Qualified Bidder. The sale to any Qualified Bidder of the Purchased Assets shall *not* be contingent upon the validity, effectiveness, and or binding nature of the Qualified Bidder's offer; *provided, however*, that contingencies for financing may be permitted.

15.9 No Conditions Precedent for Qualified Bidder. The sale to any Qualified Bidder of the Purchased Assets shall not be subject to any conditions precedent to the Qualified Bidder's obligation to timely consummate the sale transaction, and to pay the remainder of the purchase price.

15.10 Auction Confirmation Order. The only authorized condition subsequent to the Auction for the Qualified Bidder is entry of a Court order confirming the sale to the Qualified Bidder (the "**Auction Confirmation Order**").

15.11 Conditions to Consummation of Sale Transaction Prior to and Following Auction. The closing of any sale to a Qualified Bidder shall be subject to the following conditions: (i) Receiver's review and acceptance of the highest bid received from a Qualified Bidder, (ii) entry of the Auction Confirmation Order, (iii) receipt of full payment on or before the date which is three (3) business days after the date upon which the Court enters the Auction Confirmation Order such that the Purchased Assets transfer can occur promptly thereafter, and (iv) prior to Auction, waiver and release of all claims against the Receiver. If any of these foregoing conditions are not satisfied, (a) the sale to the Qualified Bidder shall not be consummated, and (b) any obligations of the Receiver shall also be terminated, including any obligations under the Qualified Bid PSA.

15.12 Transfer of Title to Purchased Assets Following Auction. Following the Auction, title to the Purchased Assets shall be transferred by Grant Deed, and/or Bill of Sale, as applicable, "*AS-IS", WITHOUT REPRESENTATIONS AND WARRANTIES*, to the High Bidder.

15.13 Court Approval if No Qualified Bids are Received. In the event no Qualified Bids are provided to the Receiver, the Receiver will notify the Court that no Auction will take place and ask the Court to approve the sale to Buyer pursuant to this Agreement.

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

SELLER:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag, solely in capacity as
Title: Court-Appointed Receiver

BUYER:

140 KELLER STREET, LLC,
an Ohio limited liability company

By: _____
Name: Michael O. Reinardy
Title: Senior Vice President

ESCROW HOLDER SIGNATURE PAGE

The undersigned Escrow Holder hereby agrees to: (i) accept the foregoing Agreement; (ii) be Escrow Holder under said Agreement; and (iii) be bound by said Agreement in the performance of its duties as Escrow Holder, and hereby establishes _____, 2021 as the date of opening of escrow and designates _____ as the escrow number assigned to this escrow.

Dated: _____

CORINTHIAN TITLE

By _____
Authorized Representative

SELLER'S BROKER SIGNATURE PAGE

The undersigned Seller's Broker hereby executes this Seller's Broker Signature Page solely to confirm the following: (a) Seller's Broker represents only the Seller in the transaction described in the Agreement to which this signature page is attached, (b) Seller's Broker acknowledges that the only compensation due to Seller's Broker in connection with the Closing of the transaction described in the Agreement to which this signature page is attached is as set forth in a separate agreement between Seller and Seller's Broker, and (c) Seller's Broker represents and warrants to Seller that Seller's Broker and its affiliates has not and will not receive any compensation (cash or otherwise) from or on behalf of Buyer or any affiliate thereof in connection with the transaction, and do not, and will not at the Closing, have any direct or indirect legal, beneficial, economic or voting interest in Buyer (or in an assignee of Buyer, which pursuant to Section 14.4 of the Agreement, acquires the Property at the Closing) nor has Buyer granted (as of the Effective Date or the Closing Date) the Seller's Broker or any of its affiliates any right or option to acquire any direct or indirect legal, beneficial, economic or voting interest in Buyer.

SELLER'S BROKER:

KEEGAN & COPPIN COMPANY, INC.

DocuSigned by:

By: Sara Wann

E9CB3AA2F5244CD...

Sara Wann

BUYER'S BROKER SIGNATURE PAGE

The undersigned Buyer's Broker hereby executes this Buyer's Broker Signature Page solely to confirm the following: (a) Buyer's Broker represents only the Buyer in the transaction described in the Agreement to which this signature page is attached; and (b) Buyer's Broker acknowledges that the only compensation due to Buyer's Broker in his capacity as broker in connection with the Closing of the transaction described in the Agreement to which this signature page is attached is as set forth in a separate agreement between Seller's Broker and Buyer's Broker, and (c) Buyer's Broker represents and warrants to Seller that Buyer's Broker and its affiliates has not and will not receive any compensation (cash or otherwise) from or on behalf of Buyer or any affiliate thereof in connection with the transaction, and do not, and will not at the Closing, have any direct or indirect legal, beneficial, economic or voting interest in Buyer (or in an assignee of Buyer, which pursuant to Section 14.4 of the Agreement, acquires the Property at the Closing) nor has Buyer granted (as of the Effective Date or the Closing Date) the Buyer's Broker or any of its affiliates any right or option to acquire any direct or indirect legal, beneficial, economic or voting interest in Buyer.

BUYER'S BROKER:

CORNISH & CAREY COMMERCIAL

By: DocuSigned by: Barry Palma
Barry Palma

Exhibit List

Exhibit "A"	Legal Description of the Land
Exhibit "B"	Tangible Assets
Exhibit "C	Contracts
Exhibit "D"	Bill of Sale
Exhibit "E"	General Assignment
Exhibit "F"	Grant Deed
Exhibit "G"	Assignment of Membership Agreements

Exhibit A

Legal Description

All that certain real property situated in the County of Sonoma, State of California, described as follows:

PARCEL 1, AS SHOWN ON THE PARCEL MAP NO. 408, IN THE CITY OF PETALUMA, COUNTY OF SONOMA, STATE OF CALIFORNIA, FILED AUGUST 30, 2019, IN BOOK 807 OF MAPS, AT PAGE 26, SONOMA COUNTY RECORDS.

A portion of APN: 006-363-024-000

Exhibit B

Tangible Assets

Product Type	Location	Product Description	Manufacturer	Unit Cost	Taxes	Qty	Total Cost
Accessories	Social Coworking	Dean 3 Power / 2 USB Box, 120" Cord.	Byrne	$163.37	$ 13.48	4	$ 707.38
Accessories	Large Conference	Dean 3 Power / 2 USB Box, 72" Cord.	Byrne	$160.25	$ 13.22	1	$ 173.47
Accessories	Large Conference	Pepper, Round, 72" Cord, Black	Byrne	$23.23	$ 1.92	10	$ 251.49
Accessories	Varies	3" Flip Top Grommet Set XG3-95, White	Mockett	$4.80	$ 0.40	23	$ 119.51
Accessories	Varies	Signum Cable Management	IKEA	$15.59	$ 1.29	24	$ 404.98
Accessories	Varies	Tripp Lite 8 Outlet Power Strip	Newegg Business	$46.79	$ 3.86	18	$ 911.66
Accessories	Varies	Shephard Hardware Phenolic Adjustable	Hardware and	$4.68	$ 0.39	26	$ 131.72
Accessories	Varies	60" Marker Tray Ledge	Amazon.com	$43.19	$ 3.56	3	$ 140.25
Accessories	Varies	3" Rubber Caster with Brake	Caster	$4.91	$ 0.40	3	$ 15.94
Accessories	Varies	3" Rubber Caster without Brake	Caster	$4.07	$ 0.34	3	$ 13.21
Accessories	Private Office	Signum Cable Management	IKEA	$15.59	$ 1.29	3	$ 50.62
Accessories	Private Office	Shephard Hardware Phenolic Adjustable	Hardware and	$5.15	$ 0.42	3	$ 16.72
Accessories	Private Office	3" Flip Top Grommet Set XG3-95, White	Mockett	$5.28	$ 0.44	3	$ 17.15
Accessories	Private Office	Tripp Lite 8-Outlet Vertical Power Strip	Home Depot	$45.49	$ 3.75	2	$ 98.49
Accessories	Varies	Duck Duck Square Pillow 20 x 20	Hem	$106.92	$ 8.82	2	$ 231.48
Accessories	Varies	Duck Duck Lumbar Pillow 19 x 13	Hem	$85.32	$ 7.04	1	$ 92.36
Accessories	Varies	GAN Silai Pillow 24 x 14	Hem	$265.20	$ 21.88	1	$ 287.08
Accessories	Varies	Kenno Pillow 23 x 16	Hem	$47.04	$ 3.88	1	$ 50.92
Accessories	Varies	Storm Pillow in Yellow 23 x 16	Hem	$95.04	$ 7.84	2	$ 205.76
Accessories	Varies	Storm Pillow in Blue 23 x 16	Hem	$95.04	$ 7.84	1	$ 102.88
Accessories	Varies	Siksak Cushion Medium 20 x 20	Hem	$47.04	$ 3.88	1	$ 50.92
Accessories	Varies	Melange Pillow 23 x 16	Hem	$85.44	$ 7.05	1	$ 92.49
Accessories	Varies	Home Field Day Pillow in Dusk 20 x 20	Hem	$118.80	$ 9.80	1	$ 128.60
Accessories	Varies	Cork Pomme	Hem	$42.24	$ 3.48	3	$ 137.17
Accessories	Varies	Pata Pillow 18 x 12	CB2	$40.75	$ 3.36	1	$ 44.11
Accessories	Varies	Jersey Dark Grey InterKnit Pillow 20 x 20	CB2	$81.55	$ 6.73	1	$ 88.28
Accessories	Varies	Strella Bowl	CB2	$50.99	$ 4.21	1	$ 55.20
Accessories	Varies	Maru White Vase	CB2	$9.13	$ 0.75	1	$ 9.88
Accessories	Varies	Cooper Black - Brass Objects Set of 2	CB2	$30.55	$ 2.52	1	$ 33.07
Accessories	Varies	Hash Black and White Vase	CB2	$20.35	$ 1.68	1	$ 22.03
Accessories	Varies	Raya Cream Bottle Vase	CB2	$50.95	$ 4.20	1	$ 55.15
Accessories	Varies	Forsythia Flower Stem	CB2	$9.55	$ 0.79	3	$ 31.02
Accessories	Varies	Faux Chestnut Branch	CB2	$25.45	$ 2.10	2	$ 55.10
Accessories	Varies	Moss Coated Birch Branches	CB2	$20.35	$ 1.68	2	$ 44.06
Accessories	Varies	Briar Cut Suede Pillow 20 x 20	West Elm	$143.04	$ 11.80	2	$ 309.68
Accessories	Varies	Springside Pot	West Elm	$30.55	$ 2.52	1	$ 33.07
Accessories	Varies	Navy Blue Knot	West Elm	$117.59	$ 9.70	1	$ 127.29
Accessories	Varies	Terrace Tabletop Planter	West Elm	$178.80	$ 14.75	1	$ 193.55
Accessories	Varies	Ridged Pot	West Elm	$16.32	$ 1.35	1	$ 17.67
Accessories	Varies	Sundrift Vase	West Elm	$36.72	$ 3.03	1	$ 39.75
Accessories	Varies	Marbled Cement Pot	West Elm	$18.36	$ 1.51	1	$ 19.87
Accessories	Varies	Marble Wood Geometric Object, Small	West Elm	$37.44	$ 3.09	1	$ 40.53
Accessories	Varies	Marble Wood Geometric Object, Medium	West Elm	$47.04	$ 3.88	1	$ 50.92
Accessories	Varies	Brass Geo Decorative Screen	West Elm	$151.98	$ 12.54	1	$ 164.52
Accessories	Varies	Medium Rose Gold Knot	West Elm	$27.84	$ 2.30	1	$ 30.14
Accessories	Varies	Ice Blue Knot	West Elm	$56.64	$ 4.67	1	$ 61.31
Accessories	Varies	Brass Bicycle Object	West Elm	$37.44	$ 3.09	1	$ 40.53
Accessories	Varies	Safety Pin Object	West Elm	$23.04	$ 1.90	1	$ 24.94
Accessories	Varies	Rouga Cut Stone Bookends	West Elm	$37.44	$ 3.09	1	$ 40.53
Accessories	Varies	Totem Vases	West Elm	$234.00	$ 19.31	1	$ 253.31
Accessories	Varies	Archer Floor Lamp	West Elm	$1,320.00	$ 108.90	2	$ 2,857.80
Accessories	Varies	Sphere + Stem Table Lamp	West Elm	$152.64	$ 12.59	1	$ 165.23
Accessories	Varies	Mixed Material Table Lamp	West Elm	$95.04	$ 7.84	2	$ 205.76
Accessories	Varies	Boardwalk in Grey	FLOR	$23.04	$ 1.90	18	$ 448.93
Accessories	Varies	Artificial Succulent Arrangement #1	The Conservatory	$720.00	$ 59.40	1	$ 779.40
Accessories	Varies	Artificial Succulent Arrangement #2	The Conservatory	$720.00	$ 59.40	1	$ 779.40
Accessories	Dedicated Desking	Magnet Boards	diamondLife	$219.14	$ 18.08	8	$ 1,897.74
Accessories	Dedicated Desking	Felt Wallcovering	Designtex	$45.60	$ 3.76	20	$ 987.24
Art Installation	Dedicated Desking	Recycled Paint Can Art	Jonny Hirschmugl	$2,448.00	$ 201.96	1	$ 2,649.96

Creative Expression A	Hallway	Sparco Flat Clip Rubber Grip Hardboard Clipboard	Officesupply.com	$1.12	$ 0.09	32	$ 38.66
Creative Expression B	Hallway	Frames	Frames by Mail	$824.75	$ 68.04	1	$ 892.79
Creative Expression C	Lounge F	Kraft Paper Roller	Etsy / George and Willy	$303.05	$ 25.00	1	$ 328.05
Creative Expression C	Lounge F	36" Kraft Paper Roll	ULINE	$51.60	$ 4.26	1	$ 55.86
Furniture	Mail Storage	Mail Storage Shelving	ULINE	$418.80	$ 34.55	1	$ 453.35
Furniture	Reception	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	1	$ 285.78
Furniture	Management Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	1	$ 285.78
Furniture	Small Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	6	$ 1,714.68
Furniture	Combined Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	4	$ 1,143.12
Furniture	Medium Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	3	$ 857.34
Furniture	Audio Editing	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	3	$ 857.34
Furniture	Video & Photo	Lumin Chair w/ Fixed Arms	RDI / SitOnIt	$200.40	$ 16.53	8	$ 1,735.46
Furniture	Small Conference	Rio Light Task Chair w/ Fixed Arms	RDI / SitOnIt	$270.00	$ 22.28	8	$ 2,338.20
Furniture	Large Conference	Rio Light Task Chair w/ Fixed Arms	RDI / SitOnIt	$270.00	$ 22.28	12	$ 3,507.30
Furniture	Dedicated Desking	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	8	$ 2,286.24
Furniture	Social Coworking	Lumin Chair w/ Fixed Arms	RDI / SitOnIt	$200.40	$ 16.53	12	$ 2,603.20
Furniture	Video & Photo	Everywhere Flip Top Tablet	CRI / Herman	$827.61	$ 68.28	6	$ 5,375.33
Furniture	Social Coworking	Everywhere Round Table	CRI / Herman	$639.78	$ 52.78	1	$ 692.56
Furniture	Combined Office	Office Partition	Sons of Salvage	$2,500.00	$ 99.00	1	$ 2,500.00
Furniture	Video & Photo	Photo Studio Table	Sons of Salvage	$1,200.00	$ 138.60	4	$ 4,800.00
Furniture	Large Conference	Conference Table	Sons of Salvage	$2,800.00	$ 297.00	1	$ 2,800.00
Furniture	Dedicated Desking	Lockable Dedicated Desking	Sons of Salvage	$1,000.00	$ 99.00	8	$ 8,000.00
Furniture	Dedicated Desking	Dedicated Desking Partitions	Sons of Salvage	$600.00	$ 247.50	11	$ 6,600.00
Furniture	Social Coworking	Large Communal Table	Sons of Salvage	$5,350.00	$ 495.00	1	$ 5,350.00
Furniture	Social Coworking	Mobile Whiteboard	Sons of Salvage	$1,000.00	$ 123.75	1	$ 1,000.00
Furniture	Working Lounge F	Mobile Whiteboard	Sons of Salvage	$1,000.00	$ 123.75	2	$ 2,000.00
Furniture	Management Office	Lillträsk Desktop	IKEA	$52.80	$ 4.36	1	$ 57.16
Furniture	Small Office	Linnmon Desktop	IKEA	$35.99	$ 2.97	6	$ 233.74
Furniture	Combined Office	Lillträsk Desktop	IKEA	$52.80	$ 4.36	2	$ 114.31
Furniture	Social Coworking	Lillträsk Desktop	IKEA	$52.80	$ 4.36	5	$ 285.78
Furniture	Reception	Nimbus Coffee Table	Industry West	$594.00	$ 49.01	1	$ 643.01
Furniture	Social Coworking	Abode Bar Stool	Industry West	$156.60	$ 12.92	9	$ 1,525.68
Furniture	Social Coworking	Public Chair	Industry West	$243.00	$ 20.05	5	$ 1,315.24
Furniture	Working Lounge B	Breeze Lounge Chair	Industry West	$675.00	$ 55.69	4	$ 2,922.75
Furniture	Community Kitchen	Abode Counter Stools	Industry West	$106.92	$ 8.82	8	$ 925.93
Furniture	Community Kitchen	Fletcher Lounge Chair	Industry West	$405.00	$ 33.41	5	$ 2,192.06
Furniture	Reception	Lucas Swivel Chair	West Elm	$767.04	$ 63.28	2	$ 1,660.64
Furniture	Working Lounge B	Faceted Coffee Table	West Elm	$575.04	$ 47.44	1	$ 622.48
Furniture	Working Lounge D	Streamline Coffee Table	West Elm	$575.04	$ 47.44	1	$ 622.48
Furniture	Working Lounge F	Reclaimed Media Console	West Elm	$1,343.04	$ 110.80	1	$ 1,453.84
Furniture	Working Lounge F	Plank Side Table	West Elm	$959.04	$ 79.12	1	$ 1,038.16
Furniture	Community Kitchen	Eric Coffee Table	West Elm	$479.04	$ 39.52	1	$ 518.56
Furniture	Reception	Modern Reception Desk	West Elm	$1,720.52	$ 141.94	1	$ 1,862.47
Furniture	Reception	Puff Puff Lounge Chair	Bludot	$970.92	$ 80.10	2	$ 2,102.04
Furniture	Working Lounge C	Mono Sofa	Bludot	$1,618.92	$ 133.56	1	$ 1,752.48
Furniture	Working Lounge C	Swole Coffee Table	Bludot	$592.92	$ 48.92	1	$ 641.84
Furniture	Working Lounge E	Cat Lounge Chair	Bludot	$538.92	$ 44.46	6	$ 3,500.29
Furniture	Working Lounge F	Bonnie and Clyde Sectional	Bludot	$3,777.84	$ 311.67	2	$ 8,179.02
Furniture	Working Lounge A	Lenox Sofa	Joybird	$1,286.40	$ 106.13	1	$ 1,392.53
Furniture	Working Lounge A	Elk Lounge Chair	2Modern / Gus	$1,350.00	$ 111.38	2	$ 2,922.75
Furniture	Working Lounge C	Forma Lounge Chair	Article	$796.86	$ 65.74	1	$ 862.60
Furniture	Working Lounge D	Triplo Sofa	Article	$1,138.86	$ 93.96	1	$ 1,232.82
Furniture	Management Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	1	$ 274.93
Furniture	Small Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	6	$ 1,649.60
Furniture	Combined Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	4	$ 1,099.73
Furniture	Medium Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	3	$ 824.80
Furniture	Dedicated Desking	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	8	$ 2,199.47
Furniture	Working Lounge D	Blue Pitch Club Chair	Poppin	$712.98	$ 58.82	1	$ 771.80
Furniture	Small Conference	Big Sur Conference Table	Crate & Barrel	$1,834.98	$ 151.39	1	$ 1,986.37
Furniture	Large Conference	Congo Media Console	CB2	$1,018.98	$ 84.07	1	$ 1,103.05
Furniture	Community Kitchen	Palate Counter Table	CB2	$508.98	$ 41.99	2	$ 1,101.94

Furniture	Management Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$120.00	$ 9.90	1.5	$ 194.85
Furniture	Small Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$126.00	$ 10.40	6	$ 818.37
Furniture	Combined Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$120.00	$ 9.90	3	$ 389.70
Furniture	Social Coworking	Standing Height U-Leg (Set of 2)	26Six Custom	$144.00	$ 11.88	7	$ 1,091.16
Furniture	Video & Photo	Drifted Stool	Hem	$162.24	$ 13.38	12	$ 2,107.50
Furniture	Working Lounge A	All Wood Stool	Hem	$229.44	$ 18.93	1	$ 248.37
Furniture	Working Lounge C	All Wood Stool	Hem	$229.44	$ 18.93	1	$ 248.37
Furniture	Working Lounge D	All Wood Stool	Hem	$229.44	$ 18.93	2	$ 496.74
Furniture	Working Lounge E	All Wood Stool	Hem	$229.44	$ 18.93	6	$ 1,490.21
Furniture	Community Kitchen	All Wood Stool	Hem	$229.44	$ 18.93	5	$ 1,241.84
Furniture	Working Lounge A	Hudson Coffee Table	Four Hands	$1,296.00	$ 106.92	1	$ 1,402.92
Furniture	Working Lounge F	Dagostino Coffee Table	AllModern	$312.00	$ 25.74	2	$ 675.48
Furniture	Working Lounge F	Webb Pouf	Structube	$94.80	$ 7.82	5	$ 513.11
Furniture	Reception	Area Side Table	Home / Cane	$329.40	$ 27.18	1	$ 356.58
Furniture	Working Lounge F	Carpet Tile - Tuxedo Pocket	AML / FLOR	$19.20	$ 1.58	28	$ 581.95
Furniture	Community Kitchen	Area Rug - Porter Collection	Loloi	$1,218.00	$ 100.49	1	$ 1,318.49
Furniture	Lockers	Double Tier Metal Lockers (Set of 3)	School Lockers	$488.94	$ 40.34	5	$ 2,646.39
Furniture	Lockers	Double Tier Metal Lockers	School Lockers	$182.75	$ 15.08	2	$ 395.65
Furniture	Phone Booth	Standard Framery O Phone Booth	MG West /	$8,070.00	$ 665.78	3	$ 26,207.33
Furniture	Phone Booth	Adjustable Stool	MG West /	$774.00	$ 63.86	3	$ 2,513.57
Furniture	Video & Photo	Curtains, Track Hardware, and Installation	Standard Textile	$8,295.53	$ 684.38	5	$ 8,979.91
Furniture	Private Office	Linnmon Desktop	IKEA	$35.99	$ 2.97	3	$ 116.87
Furniture	Private Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	3	$ 824.80
Furniture	Private Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$180.00	$ 14.85	3	$ 584.55
Green Wall	Reception	Pipe Planters	Jonny	$960.00	$ 79.20	1	$ 1,039.20
Green Wall	Reception	Artificial Plants - Crinkle Leaf Succulent	Dirt Couture	$10.80	$ 0.89	3	$ 35.07
Green Wall	Reception	Artificial Plants - Faux Air Plant	Dirt Couture	$8.40	$ 0.69	5	$ 45.47
Green Wall	Reception	Artificial Plants - Air Plant Orbs	Dirt Couture	$8.40	$ 0.69	3	$ 27.28
Green Wall	Reception	Artificial Plants - Crassula Worm	Dirt Couture	$8.40	$ 0.69	4	$ 36.37
Green Wall	Reception	Artificial Plants - Purple Air Plant	Dirt Couture	$10.80	$ 0.89	3	$ 35.07
Print Station	Dedicated Desking	Ekbaken Countertop	IKEA	$118.80	$ 9.80	2	$ 257.20
Print Station	Dedicated Desking	30" Sektion Base Cabinet - 2 Door	IKEA	$387.60	$ 31.98	2	$ 839.15
Print Station	Dedicated Desking	24" Sektion Base Cabinet - 1 Door	IKEA	$369.60	$ 30.49	1	$ 400.09
Print Station	Dedicated Desking	Sektion Leg (Set of 2)	IKEA	$7.20	$ 0.59	2	$ 15.59
Print Station	Dedicated Desking	Sektion Suspension Rail	IKEA	$15.60	$ 1.29	1	$ 16.89
Print Station	Dedicated Desking	Voxtorp Toekick	IKEA	$22.80	$ 1.88	2	$ 49.36
Print Station	Dedicated Desking	Variera Recycling Bin	IKEA	$16.79	$ 1.39	2	$ 36.35
Print Station	Hallway	Pinnarp Countertop	IKEA	$178.80	$ 14.75	2	$ 387.10
Print Station	Hallway	36" Sektion Base Cabinet - 2 Door	IKEA	$435.60	$ 35.94	1	$ 471.54
Print Station	Hallway	24" Sektion Base Cabinet - 1 Door	IKEA	$369.60	$ 30.49	1	$ 400.09
Print Station	Hallway	47" Sektion Corner Base Cabinet	IKEA	$300.00	$ 24.75	1	$ 324.75
Print Station	Hallway	Sektion Leg (Set of 2)	IKEA	$7.20	$ 0.59	3	$ 23.38
Print Station	Hallway	Sektion Suspension Rail	IKEA	$15.60	$ 1.29	3	$ 50.66
Print Station	Hallway	Voxtorp Toekick	IKEA	$22.80	$ 1.88	2	$ 49.36
Print Station	Hallway	Variera Recycling Bin	IKEA	$16.79	$ 1.39	2	$ 36.35
Retail Display	Reception	Tutemo Open Cabinets - Rectangular	IKEA	$35.99	$ 2.97	5	$ 194.79
Retail Display	Reception	Tutemo Open Cabinets - Square	IKEA	$41.99	$ 3.46	3	$ 136.36
Retail Display	Reception	Modern Media Console	West Elm	$1,439.04	$ 118.72	1	$ 1,557.76
Retail Display	Reception	Locking Hardware - Cam Lock 4-Pack	Dyersonline.com	$23.99	$ 1.98	1	$ 25.97
Retail Display	Reception	Scrabble Letters	Sons of Salvage	$12.00	$ 0.99	200	$ 2,598.00
Retail Display	Reception	88" Sliding Ledges	Sons of Salvage	$180.00	$ 14.85	2	$ 389.70
Retail Display	Reception	36" Sliding Ledges	Sons of Salvage	$120.00	$ 9.90	9	$ 1,169.10
Storage	Video &	Mobile Welded Steel Table	ULINE	$564.00	$ 46.53	1	$ 610.53
Storage	Social Coworking	Flat Files	BizChair.com	$575.99	$ 47.52	2	$ 1,247.01
Storage	Social Coworking	Base for Flat Files	BizChair.com	$67.19	$ 5.54	1	$ 72.73
			SUB TOTAL:	$86,046.23	$ 7447.82		$ 195205.59

Purchases OTHER THAN Urban Chalet

IT Hardware	Reception	Chromebase	ANI			1	$0.00
IT Hardware	Front Office	Chromebase	ANI			1	$0.00
IT Hardware	Front Office	MacBook	ANI			1	$0.00
IT Hardware	Entrance	iPad	ANI			1	$0.00

IT Hardware	Various	Google speakers	ANI			4	$0.00
IT Hardware	Front Office	Phone - desk phone	ANI			1	$0.00
IT Hardware	Reception	Phone - desk phone	ANI			1	$0.00
IT Hardware	Conference Rms	Phone - desk phone	ANI			2	$0.00
IT Hardware	Conference Rms, Lo	Television	ANI			3	$0.00
IT Hardware	Doors	KISI reader	ANI			2	$0.00
IT Hardware	Hall	Shredder	ANI			1	$0.00
Appliance	Community Kitchen	Coffee maker, BUNN 33200.0010 VPR AF	ANI	$285.20		1	$285.20
Appliance	Community Kitchen	Turbo Air Open Vertical Display Case (Gr	ANI			1	$0.00
Appliance	Community Kitchen	Dishwasher	ANI			1	$0.00
Appliance	Community Kitchen	Microwave	ANI			1	$0.00
Appliance	Community Kitchen	Refrigerator	ANI			1	$0.00
Appliance	Community Kitchen	Kegerator	A. Lewis			1	$0.00
Art Installation	Lounge	Art installation - mural panels Alex Cole		$6,700.00		1	$6,700.00
Furniture	Dedicated Desking	LED monitors for Dedicated Desks/staging	Staples	$192.99		4	$771.96
Furniture	Lounge	Chairs, Stacked - Black plastic/metal, on dolly		$1,789.88		1	$1,789.88
Furniture	Various	Fans, dyson - Jet Focus AM09	Amazon	$428.00		2	$856.00
Furniture	Various	Fans, Vornado - 630 Mid-Size Air Circulat	Amazon	$59.99		2	$119.98
Furniture	Basement Storage	Handtruck- Harper Trucks Lightweight 400	Amazon	$54.99		1	$54.99
Furniture	Reception	Ladder extension	Amazon	$296.79		1	$296.79
Furniture	Dedicated Desking	Desk Lamp - TaoTronics LED Desk Lamp	Amazon	$29.99		8	$239.92
Furniture	Janitorial Closet	Shelving unit (like Metro rack)	Amazon	$109.99		1	$109.99
Furniture	Basement Storage	Shelving unit (like Metro rack)		$109.99		1	$109.99
Furniture	Main Area	Marketplace signs, metal	Maselli + Sons	$75.00		8	$600.00
Photo Equip	Basement Storage	Light carrying bags		$8.95		3	$26.85
Photo Equip	Basement Storage	Light stand sandbags		$49.95		2	$99.90
Photo Equip	Basement Storage	All 3 Stands	B+H Photo	$239.90		1	$239.90
Photo Equip	Basement Storage	Photo Equip - Paul C Buff 3 Light Kit with	B+H Photo	$499.95		3	$1,499.85
Photo Equip	Basement Storage	Photo Equip - Seamless stand (3 parts)	Amazon	$104.95		1	$104.95
Photo Equip	Basement Storage	Modifiers / diffusers / umbrellas (8)	B+H Photo	$99.95		1	$99.95
Photo Equip	Lounge	Photo Equip -All Modifiers/Diffusers	B+H Photo	$570.50		1	$570.50
Photo Equip	Basement Storage	Photo Equip -Camera Mic	B+H Photo	$299.00		1	$299.00
Photo Equip	Basement Storage	Photo Equip -Canon 6D Mark II camera wi	B+H Photo	$1,899.00		1	$1,899.00
Photo Equip	Basement Storage	Photo Equip -Extra Battery	B+H Photo	$209.00		1	$209.00
Photo Equip	Basement Storage	Photo Equip -Manfrotto Tripod with Ball H	B+H Photo	$399.88		1	$399.88
Photo Equip	Basement Storage	Manfrotto 496RC2 Ball Head accessory	B+H Photo	$86.50		1	$86.50
Photo Equip	Basement Storage	Photo Equip -Sigma 50mm lens (in case)	B+H Photo	$949.00		1	$949.00
Photo Equip	Basement Storage	Photo Equip -Sigma 85mm lens (in case)	B+H Photo	$1,199.00		1	$1,199.00
Photo Equip	Basement Storage	Sigma USB dock for lenses	B+H Photo	$59.00		1	$59.00
Photo Equip	Basement Storage	Sigma 77 mm filter	B+H Photo	$46.00		1	$46.00
Photo Equip	Basement Storage	Photo Equip -Camera Storage Bag	B+H Photo	$59.99		1	$59.99
Photo Equip	Basement Storage	Photo Equip -Transmitter pkg for flash (4 i	B+H Photo	$149.80		1	$149.80
Photo Equip	Lounge	Seamless paper, white	Savage	$52.99		1	$52.99
Photo Equip	Lounge	Seamless paper, colors (sep purchase)	B+H Photo	$52.99		2	$105.98
A/V	Basement Storage	Audio interface	B+H Photo	$249.99		1	$249.99
A/V	Lounge	Projector	Epson	$699.99		1	$699.99
A/V	Lounge	Projector screen, motorized		$682.00		1	$682.00
Furniture	Studio Room	Sound Panels - noise absorbtion, solid	ANI				$0.00
Furniture	Studio Room	ProDesk 60 Electric	Varidesk	$595.00		16	$9,520.00
Furniture	Studio Room	QuickPro Desk 48x24	Varidesk	$395.00		20	$7,900.00
Furniture	Studio Room	QuickPro RoundTop	Varidesk	$595.00		5	$2,975.00
Furniture	Studio Room	Conference Chair	Varidesk	$350.00		5	$1,750.00
Furniture	Studio Room	TheMat 36	Varidesk	$60.00		16	$960.00
Furniture	Studio Room	SlimCaddy	Varidesk	$250.00		36	$9,000.00
Furniture	Studio Room	PowerStrip w 15ft Cord	Varidesk	$35.00		36	$1,260.00
Furniture	Studio Room	Task Chair	Varidesk	$295.00		36	$10,620.00
Furniture	Studio Room	Varidesk QuickFlex walls (all inclusive)	Varidesk	$47,645.00		1	$47,645.00
	Studio Room	White noise machine (sound masking)	PCD Sound	$8,935.57		1	$8,935.57
			SUB TOTAL:	$77,956.66			$122,289.29
			TOTALS:	**$164,002.89**			**$317,494.88**

Exhibit C

Contracts

[list to be inserted]

Exhibit D

Form of Bill of Sale

BILL OF SALE

FOR VALUE RECEIVED, 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver, appointed by the United States District Court for the Southern District of California, hereby sells, conveys and assigns to 140 KELLER STREET, LLC, an Ohio limited liability company ("**Buyer**"), all of Seller's right, title and interest in and to the following:

Those certain apparatus, equipment, computer equipment, software, furniture, appliances, food items, beverage items or other inventory or tangible items of personal property owned by Seller and located in the property as described on Schedule 1 attached hereto and incorporated herein by this reference (collectively, the "**Tangible Assets**").

From and after the date of this Bill of Sale, it is intended by the parties that Buyer and Buyer's successors and assigns shall have the right to use, have, hold and own the Tangible Assets forever. This Bill of Sale may be executed in counterparts, each of which shall be deemed an original, and all of which shall taken together be deemed one document. Seller and Buyer agree that the delivery of an executed copy of this Bill of Sale sent by facsimile or e-mail shall be legal and binding and shall have the same full force and effect as if an original executed copy of this Bill of Sale had been delivered.

Seller makes no warranties of any kind or nature whatsoever, express or implied, including without limitation any warranty of merchantability or fitness for a particular purpose, with respect to any of the Tangible Assets transferred hereby, any and all such warranties being hereby expressly disclaimed. Buyer hereby assumes all liabilities and obligations in connection with or arising under the matters assigned under this agreement to the extent arising after the date of execution set forth below.

TO HAVE AND TO HOLD unto the grantee and its successors and assigns forever.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Seller and Buyer have executed this Bill of Sale as of the ___day of _____, 20__.

Seller:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag
Title: Court-Appointed Receiver

Buyer:

140 KELLER STREET, LLC,
an Ohio limited liability company

By: _____
Name: Michael O. Reinardy
Title: Senior Vice President

Schedule 1

Tangible Assets

[to be attached]

Exhibit E

Form of General Assignment

GENERAL ASSIGNMENT AND ASSUMPTION

This General Assignment and Assumption (this "**Assignment**") is executed by 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver, appointed by the United States District Court for the Southern District of California, in favor of 140 KELLER STREET, LLC, an Ohio limited liability company ("**Buyer**") as of _____, 2021 (the "**Effective Date**").

RECITALS:

A. Seller conducts the business of owning and/or operating an office building containing approximately 9,415 rentable square feet which is rented as co-working space for subscription holders, located at 140 Keller Street, Petaluma, California, which is commonly known as "Keller Street CoWork" (the "**Business**").

B. Seller and Buyer have entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of _____ __, 20___ ("**Agreement**"), in which Seller has agreed to sell and Buyer has agreed to purchase the Business, the underlying Real Property and certain other Purchased Assets related thereto, as further described in the Agreement.

C. Pursuant to the Agreement, Seller has agreed to assign, without recourse or warranty on an "as is" basis, to Buyer all of Seller's right, title and interest, if any, in and to those certain rights and obligations set forth below.

D. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **Assignment.** As of the Effective Date, Seller hereby assigns, sells and transfers all of Seller's right, title and interest (if any) in and to the following to Buyer, to the extent assignable by Seller, without recourse or warranty:

1.1 Any warranty or guaranty rights of Seller relating to the Real Property or the Tangible Assets and assignable by Seller (the "**Warranties**");

1.2 All of Seller's trademark and/or trade name rights, rights to the name "Keller Street CoWork," and all other names used, and all title and interest in and to any and all intellectual property which relate to the Business or the Purchased Assets each as they relate to the ownership, use or operation of the Business or the Purchased Assets with respect to the Real Property, to the extent owned by Seller and separately transferable for the Real Property; and any other intangible

personal property owned by Seller and/or used in or related to the ownership, use, operating or maintenance of the Real Property (the "**Intangible Assets**"); and

1.3 All permits, licenses, registrations, certificates, variances, consents, authorizations, governmental approvals and other entitlements necessary for the ownership, use, operation or maintenance of the Real Property or otherwise relating in any way to the Real Property (the "**Permits**").

2. **Assumption.** As of the Effective Date, Buyer expressly agrees to assume and hereby assumes all liabilities and obligations of the Seller in connection with the Warranties, the Intangible Assets and the Permits.

3. **Counterparts.** This Assignment may be executed in counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument.

4. **Attorneys' Fees.** If any action or proceeding is commenced by either party to enforce its rights under this Assignment, the prevailing party in such action or proceeding shall be awarded all reasonable costs and expenses incurred in such action or proceeding, including reasonable attorneys' fees and costs (including the cost of in-house counsel and appeals), in addition to any other relief awarded by the court.

5. **Applicable Law.** This Assignment shall be governed by and interpreted in accordance with the laws of the State of California.

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

WITH RESPECT TO ALL MATTERS TRANSFERRED, WHETHER TANGIBLE OR INTANGIBLE, PERSONAL OR REAL, SELLER EXPRESSLY DISCLAIMS A WARRANTY OF MERCHANTABILITY AND WARRANTY FOR FITNESS FOR A PARTICULAR USE OR ANY OTHER WARRANTY EXPRESSED OR IMPLIED THAT MAY ARISE BY OPERATION OF LAW OR UNDER THE UNIFORM COMMERCIAL CODE FOR THE STATE IN WHICH THE PROPERTY IS LOCATED (OR ANY OTHER STATE).

[Remainder of Page Intentionally Left Blank]

WITNESS the signatures of the undersigned.

Dated: _____, 2021

Seller:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag
Title: Court-Appointed Receiver

Buyer:

140 KELLER STREET, LLC,
an Ohio limited liability company

By: _____
Name: Michael O. Reinardy
Title: Senior Vice President

Exhibit F

Grant Deed

Recording Requested by,
When Recorded Return to and
Mail Tax Statements to:

_____
_____
_____

SPACE ABOVE THIS LINE FOR RECORDING USE

GRANT DEED

THE DOCUMENTARY TRANSFER TAX IS NOT FOR PUBLIC RECORD.

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Grantor**"), by and through Krista L. Freitag, Receiver, appointed by the United States District Court for the Southern District of California, hereby grants to 140 KELLER STREET, LLC, an Ohio limited liability company, that certain real property located in the County of Sonoma, State of California, more particularly described in Exhibit "A" attached hereto (the "**Land**"), together with all right, title and interest in and to all buildings and improvements now located or hereafter constructed on the Land, subject to the following:

1. nondelinquent general, special and supplemental real property taxes and assessments, and

2. all other covenants, agreements, conditions, restrictions, reservations, rights, rights-of-way, dedications, offers of dedication and easements of record.

[Signatures on following page]

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____ ____, 20__.

GRANTOR:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag
Title: Court-Appointed Receiver

EXHIBIT "A" TO GRANT DEED

LEGAL DESCRIPTION

[to be attached]

ACKNOWLEDGMENT

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, _____,
(insert name of notary)
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 G

Assignment of Membership Agreements

THIS ASSIGNMENT OF MEMBERSHIP AGREEMENTS ("**Assignment**") is made this ____ day of _____, 20___ ("**Assignment Date**") by and between 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Assignor**"), by and through Krista L. Freitag, solely in her capacity as Receiver, appointed by the United States District Court for the Southern District of California, and 140 KELLER STREET, LLC, an Ohio limited liability company ("**Assignee**").

W I T N E S S E T H:

A. Assignor and Assignee entered into that certain Agreement of Purchase and Sale and Joint Escrow Instructions, dated as of _____ ____, 20___ ("**Agreement**"), respecting the sale of the Property. Capitalized terms used herein and not separately defined have the meanings ascribed to them in the Agreement.

B. Under the Agreement, Assignor is obligated to assign to Assignee all of Assignor's right, title and interest in and to the Membership Agreements.

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

1. Effective as of the Assignment Date, Assignor hereby assigns, sells, transfers, sets over and delivers unto Assignee all of Assignor's estate, right, title and interest in and to the Membership Agreements and Assignee hereby accepts such assignment. Notwithstanding the foregoing or anything to the contrary contained herein, Assignor shall retain all rights, title and interest in and to all rentals and other amounts payable by members under the Membership Agreements, and other rights and claims against any parties, under the Membership Agreements for the period of time prior to the Assignment Date.

2. Assignor hereby covenants that Assignor will, at any time and from time to time upon written request therefor, execute and deliver to Assignee, Assignee's successors, nominees or assigns, at no cost or expense to Assignor, such documents as Assignee or they may reasonably request in order to fully assign and transfer to and vest in Assignee or Assignee's successors, nominees and assigns the Membership Agreements.

3. Assignee hereby assumes the performance of all of the terms, covenants and conditions imposed upon Assignor under the Membership Agreements accruing or arising on or after the Assignment Date.

4. In the event of any dispute between Assignor and Assignee arising out of the obligations of the parties under this Assignment or concerning the meaning or interpretation of any provision contained herein, the losing party shall pay the prevailing party's costs and expenses of such dispute, including, without limitation, reasonable attorneys' fees and costs. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor

under this Assignment shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Assignment and to survive and not be merged into any such judgment.

5. This Assignment may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

6. This Assignment shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legatees of all the respective parties hereto.

7. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

[*Signature Page Follows*]

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment as of the day and year first written above.

"Assignor" 132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Krista L. Freitag, solely in capacity as
Court-Appointed Receiver

"Assignee" 140 KELLER STREET, LLC,
an Ohio limited liability company

By: _____
Name: Michael O. Reinardy
Title: Senior Vice President

FIRST AMENDMENT
TO PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

This FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("**Amendment**") is made as of the 12 day of April, 2021 (the "**Effective Date**"), by and between 140 KELLER STREET, LLC, an Ohio limited liability company ("**Buyer**"), and 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver ("**Receiver**") in the case entitled *Securities and Exchange Commission v. Gina Champion-Cain, ANI Development, LLC, and American National Investments, Inc.*, United States District Court for the Southern District of California (the "**Court**"), Case No. 3:19-CV-01628-LAB-AHG (the "**Receivership Action**"). Seller and Buyer are collectively referred to herein as the "**Parties**."

RECITALS:

A. Seller and Buyer entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of March 25, 2021 (the "**Agreement**").

B. Pursuant to the terms and conditions of the Agreement, Seller conducted the Auction. At the conclusion of such Auction, Buyer was determined to be the High Bidder.

C. Buyer and Seller desire to amend the Agreement to increase the Purchase Price to reflect Buyer's bid at the Auction and to otherwise modify the Agreement as provided herein.

D. All capitalized terms not otherwise defined in this Amendment shall have the same meanings as set forth in the Agreement.

AGREEMENT:

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Purchase Price.** In accordance with Buyer's bid at the Auction, the Purchase Price is hereby increased to Two Million Six Hundred Thousand and No/100 Dollars ($2,600,000.00).

2. **Earnest Money Deposit.** Buyer hereby acknowledges and agrees that Buyer was the High Bidder at the Auction and therefore, notwithstanding anything to the contrary in the Agreement, the Earnest Money Deposit is not refundable to Buyer by reason of Buyer not being the High Bidder as set forth in Sections 2.2(a) and 2.3(b) of the Agreement.

3. **Continuation of Agreement.** Except as expressly modified hereby, all other terms and provisions of the Agreement shall remain in full force and effect, are incorporated herein by this reference, and shall govern the conduct of the Parties hereto; provided, however, to the extent of any inconsistency between the provisions of the Agreement and the provisions of this Amendment, the provisions of this Amendment shall control. Effective as of the date hereof, all

references in the Agreement to the "Agreement" will refer to the Agreement as amended by this Amendment.

4. **Miscellaneous**.

(a) **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legacies of all the respective parties hereto.

(b) **No Strict Construction**. Each of the Parties hereto acknowledges and agrees that this Amendment has been prepared jointly by the Parties hereto and their respective counsel and that this Amendment shall not be strictly construed against any Party by virtue of the person or entity who may have drafted the subject provision.

(c) **Governing Law**. This Amendment shall be governed by, interpreted under and construed and enforceable in accordance with, the laws of the State of California. The exclusive forum for resolving disputes arising from or related to the Agreement or closing of the sale shall be the Court in the Receivership Action.

(d) **Counterparts and Signatures**. This Amendment may be executed in counterparts, each of which shall be deemed an original, but such counterparts, when taken together, shall constitute one agreement. This Amendment may be executed by a Party's signature transmitted by facsimile ("**fax**") or email and copies of this Amendment executed and delivered by means of faxed or emailed signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. The Parties may rely upon faxed or emailed signatures as if such signatures were originals. Any Party executing and delivering this Amendment by fax or email shall promptly thereafter deliver a counterpart signature page of this Amendment containing said Party's original signature. The Parties agree that a faxed or emailed signature page may be introduced into evidence in any proceeding arising out of or related to this Amendment as if it was an original signature page.

(e) **Severability**. If any term, provision, covenant or condition of this Amendment is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Amendment shall continue in full force and effect and shall in no way be affected, impaired, or invalidated.

[*Remainder of page intentionally left blank; signature page follows*]

IN WITNESS WHEREOF, this Amendment has been executed as of the Effective Date.

BUYER

140 KELLER STREET, LLC,
an Ohio limited liability company

By: _____
Name: Michael O. Kennedy
Title: Senior Vice President

SELLER

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Krista L. Freitag, solely in capacity as
Court-Appointed Receiver

ESCROW HOLDER SIGNATURE PAGE

The undersigned Escrow Holder hereby agrees to: (i) accept the foregoing Amendment; (ii) be Escrow Holder under said Amendment; and (iii) be bound by said Amendment in the performance of its duties as Escrow Holder.

Dated: _____

CORINTHIAN TITLE

By: _____
Authorized Representative

EXHIBIT B

EXHIBIT B

PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (the "**Agreement**") is entered into as of December 11, 2020 (the "**Effective Date**") by and between CARA RECINE, an individual, and ANTHONY SANCHEZ, an individual (collectively, "**Buyer**") and 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver ("**Receiver**") in the case entitled *Securities and Exchange Commission v. Gina Champion-Cain, ANI Development, LLC, and American National Investments, Inc.*, United States District Court for the Southern District of California, Case No. 3:19-CV-01628-LAB-AHG (the "**Receivership Action**").

ARTICLE 1
PURCHASE AND SALE

1.1 Agreement of Purchase and Sale. Pursuant to that certain Order Granting The Parties' Joint Motion and Stipulated Request by All Parties for a Preliminary Junction Order and Order (1) Freezing Assets; (2) Requiring Accountings; (3) Prohibiting the Destruction of Documents; and (4) Appointing a Permanent Receiver (the "**Order**") entered on September 3, 2019 by the Court with respect to the Receivership Action, Receiver was appointed permanent receiver for the Seller and certain other entities, as "**Defendants**," and their subsidiaries and affiliates as "Relief Defendants" (collectively, the "**Receivership Entities**"). Seller, as one of the Receivership Entities, agrees to sell the Purchased Assets (as defined below) comprising the Business (as defined below) to Buyer, and Buyer agrees to purchase the Purchased Assets comprising the Business from Seller, subject to the terms and conditions set forth in this Agreement.

1.2 The Business. Seller conducts the business of owning and/or operating an office building located on the "Land" (as defined in Section 1.3 below) containing approximately 9,415 rentable square feet, which is currently operated as a co-working space commonly known as "Keller Street CoWork" in accordance with the terms and conditions of certain "Membership Agreements" (as defined in Section 1.3 below) applicable to the building (the "**Business**"), and pursuant to the terms and conditions of this Agreement, Seller desires to sell the Business, including all assets, tangible and intangible, used in connection with the operation of the Business.

1.3 The Purchased Assets. For purposes of this Agreement, the "**Purchased Assets**" shall mean and include in its present "AS-IS", "WHERE IS" condition, all of Seller's right, title and interest in and to the following:

(i) that certain land containing approximately 0.22 acres and related amenities located and addressed at 140 Keller Street, Petaluma, California, and situated on the land more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "**Land**");

(ii) any and all rights, privileges and easements appurtenant to the Land and owned by Seller, including, without limitation, development rights, air rights, water, water

rights, riparian rights and water stock relating to the Land and rights-of-way or other appurtenances used exclusively in connection with the beneficial use and enjoyment of the Land (collectively, the "**Appurtenances**");

(iii) all improvements and fixtures located on the Land (collectively, the "**Improvements**" and together with the Land and the Appurtenances, the "**Real Property**");

(iv) any and all apparatus, equipment, furniture, appliances, food, beverage items or other inventory or tangible items of personal property owned by Seller and located on the Real Property, as such items are described on Exhibit "B" attached hereto and incorporated herein by this reference (the "**Tangible Assets**");

(v) all goodwill relating to the Business;

(vi) all accounts receivables which become due and payable after the Closing (defined below) (the "**Post-Closing Receivables**");

(vii) all rights of Seller under equipment leases, service contracts, utility contracts, water agreements, equipment leases, purchase orders, maintenance, service and similar contracts, which relate to the ownership, management, maintenance, construction or repair and/or operation of the Real Property and any of the other Purchased Assets and other similar agreements affecting the use and operation of the Business in effect as of the Effective Date that relate in any way to Seller's operation of the Business at the Real Property, which contracts are listed on Exhibit "C" attached hereto and incorporated herein by this reference (the "**Contracts**");

(viii) all permits, licenses, registrations, certificates, variances, consents, authorizations, governmental approvals and other entitlements necessary for the ownership, use, operation or maintenance of the Real Property or otherwise relating in any way to the Real Property (collectively, the "**Permits**"), provided that such Permits shall only be included with the Purchased Assets and transferred to Buyer to the extent such Permits are transferrable under applicable law;

(ix) any warranty or guaranty rights of Seller relating to the Real Property or the Tangible Assets and assignable by Seller (the "**Warranties**");

(x) all of Seller's trademark and/or trade name rights, rights to the name "Keller Street CoWork," and all other names used, and all title and interest in and to any and all intellectual property which relate to the Business or the Purchased Assets each as they relate to the ownership, use or operation of the Business or the Purchased Assets with respect to the Real Property, to the extent owned by Seller and separately transferable for the Real Property; and any other intangible personal property owned by Seller and/or used in or related to the ownership, use, operating or maintenance of the Real Property (the "**Intangible Assets**"). As used herein, "Purchased Assets" does not include any of Seller's liabilities of any kind whatsoever (other than those specifically listed) including but not limited to: Seller's liabilities and obligations arising out of or resulting from the ownership of any of the Business or the Purchased Assets before the Closing, including without

limitation, all trade accounts payable incurred in the course of Seller's business prior to the Closing; Seller's liabilities and obligations for prorated taxes for the period prior to the Closing; Seller's liabilities and obligations arising out of or resulting from any failure by Seller to comply with any applicable law, judgment, or order; Seller's liabilities and obligations arising out of or resulting from any legal proceeding; Seller's liabilities and obligations to any of Seller's employees or consultants through the close of business on the Closing Date, whether or not the employee or consultants are hired by Buyer; Seller's liabilities and obligations to any current or former partner or officer of Seller or of any affiliate of Seller; Seller's liabilities and obligations under this Agreement; and Seller's liabilities and obligations arising out of or resulting from any act or omission of Seller after the Closing; and

(xi) all of Seller's right, title and interest as the owner of the Real Property and operator of the Business under those certain membership agreements by and between Seller or its affiliates and certain third parties (collectively, the "**Membership Agreements**").

1.4 Opening of Escrow. Buyer and Seller shall open escrow ("**Escrow**") with Corinthian Title (the "**Escrow Holder**"). Escrow Holder shall execute the Escrow Holder Signature Page attached hereto and return one fully executed original of this Agreement and the Escrow Holder Signature Page, the Seller's Broker Signature Page and the Buyer's Broker Signature Page to each of Seller and Buyer. The purchase and sale of the Purchased Assets shall be consummated through the Escrow in accordance with the instructions contained in this Agreement.

1.5 Closing Date. The closing of the purchase and sale of the Purchased Assets (the "**Closing**" or "**Close of Escrow**") shall occur on or before five (5) business days following the date the Court enters an order approving this Agreement (the "**Court Approval Date**") with respect to all of the Purchased Assets, or, in the event an auction occurs, the date the Court enters the Auction Confirmation Order, as described in Section 15, below.

ARTICLE 2
PURCHASE PRICE

2.1 Purchase Price. The purchase price for the Purchased Assets shall be Two Million Fifty Thousand Dollars ($2,050,000.00) (the "**Purchase Price**"), which shall be subject to overbids (as defined below) pursuant to Section 15 hereof.

2.2 Payment of the Purchase Price. Buyer shall pay the Purchase Price to Seller as follows:

(a) No later than three (3) days after the Effective Date, Buyer shall deposit with Escrow Holder, in cash, certified or bank cashier's check made payable to Escrow Holder, or by a confirmed Federal Reserve wire transfer of funds (hereinafter referred to as "**Immediately Available Funds**"), the sum of Sixty Thousand Dollars ($60,000.00) (with all interest earned thereon, the "**Earnest Money Deposit**"). The Earnest Money Deposit shall be nonrefundable to Buyer except in the event: (i) of Seller's default under this Agreement, as set forth below; (ii) of Buyer's timely termination or deemed termination of this Agreement on or prior to the Contingency

Date as set forth in Article 4 below; (iii) Buyer is not the High Bidder (as defined in below); or (iv) the Court otherwise fails to approve the sale of the Purchased Assets to Buyer. Escrow Holder shall invest the Earnest Money Deposit in an interest-bearing account pursuant to the provisions set forth below. Escrow Holder shall release the Earnest Money Deposit to Seller on the Contingency Date set forth in Section 4.1(a), below, unless this Agreement has otherwise been terminated prior to such date as provided in this Agreement. Buyer hereby acknowledges the foregoing and expressly agrees to Escrow Holder's release of the Earnest Money Deposit to Seller prior to Closing on the Contingency Date.

(b) In the event the Closing under this Agreement occurs, then the Earnest Money Deposit shall be credited against the Purchase Price at the Closing. In the event the Closing under this Agreement shall fail to occur, then the Earnest Money Deposit shall be nonrefundable except as expressly set forth in Section 2.2(a) above.

(c) At least one (1) business day prior to the Closing Date, Buyer shall deposit or cause to be deposited with Escrow Holder, in Immediately Available Funds, the balance of the Purchase Price (as adjusted to account for the amount of the Earnest Money Deposit previously released to Seller) and all other amounts payable by Buyer pursuant to this Agreement into Escrow.

2.3 Escrow Provisions Regarding Earnest Money Deposit.

(a) Escrow Holder shall hold the Earnest Money Deposit and make delivery of the Earnest Money Deposit to the party entitled thereto under the terms of this Agreement. Escrow Holder shall invest the Earnest Money Deposit in an interest-bearing account maintained at a federally insured bank or savings and loan association as approved by Seller and Buyer, and all interest and income thereon shall become part of the Earnest Money Deposit and shall be remitted to the party entitled to the Earnest Money Deposit pursuant to this Agreement.

(b) Escrow Holder shall hold the Earnest Money Deposit until the earlier occurrence of (i) the Closing Date, at which time the Earnest Money Deposit shall be applied against the Purchase Price, (ii) Buyer's failure to close the transaction contemplated hereby or breach of its obligations hereunder, in which event Seller may terminate this Agreement and Escrow Holder shall disburse the Earnest Money Deposit to Seller, plus accrued interest thereon, upon Escrow Holder's receipt of written notice from Seller confirming such failure to close or breach by Buyer, (iii) Buyer's timely termination or deemed termination of this Agreement on or prior to the Contingency Date as set forth in Article 4, below, in which event Escrow Holder shall disburse the Earnest Money Deposit to Buyer upon Escrow Holder's receipt of written notice of Buyer's disapproval of the condition of the Property, or (iv) in the event Seller is not the High Bidder; or (iv) the Court otherwise fails to approve the sale of the Purchased Assets to Buyer. The tax identification numbers of the parties shall be furnished to Escrow Holder upon request.

(c) The parties acknowledge that Escrow Holder is acting solely as a stakeholder at their request and for their convenience, and that Escrow Holder shall not be deemed to be the agent of either of the parties for any act or omission on its part unless taken or suffered in bad faith in willful disregard of this Agreement or involving gross negligence. Seller and Buyer jointly and severally release Escrow Holder from any and all liability for costs, claims and expenses, including reasonable attorney's fees, incurred in connection with the performance of

Escrow Holder's duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Holder in bad faith, in willful disregard of this Agreement or involving gross negligence on the part of the Escrow Holder.

(d) The parties shall deliver to Escrow Holder an executed copy of this Agreement, which shall constitute the sole instructions to Escrow Holder. Escrow Holder shall execute the signature page for Escrow Holder attached hereto with respect to the provisions of this section; provided, however, that (i) Escrow Holder's signature hereon shall not be a prerequisite to the binding nature of this Agreement on Buyer and Seller, and the same shall become fully effective upon execution by Buyer and Seller, and (ii) the signature of Escrow Holder will not be necessary to amend any provision of this Agreement other than this section.

(e) Escrow Holder, as the person responsible for closing the transaction within the meaning of Section 6045(e)(2)(A) of the Internal Revenue Code of 1986, as amended (the "**Code**"), shall file all necessary information, reports, returns, and statements regarding the transaction required by the Code including, but not limited to, the tax reports required pursuant to Section 6045 of the Code. Further, Escrow Holder agrees to indemnify and hold Buyer, Seller, and their respective attorneys and brokers and Seller's Broker and Buyer's Broker (as defined below) harmless from and against any losses resulting from Escrow Holder's failure to file the reports Escrow Holder is required to file pursuant to this section.

(f) The provisions of this section shall survive the termination of this Agreement, and if not so terminated, the Closing and delivery of the grant deed to Buyer.

ARTICLE 3
CONDITION OF TITLE

3.1 Approval of Title. Buyer hereby acknowledges that, with respect to the Real Property, Buyer has received the Title Documents (as hereinafter defined) prior to the Effective Date and approves of all matters contained therein. As used herein, "**Title Documents**" shall mean collectively that certain preliminary title report for the Land dated as of _____, 2020 and bearing Title No. _____ (the "**Title Report**") prepared by Corinthian Title (the "**Title Company**") and certain hyperlinked copies of exception documents referred to in Schedule B of the Title Report.

3.2 Title Policy. Either a CLTA or ALTA Owner's Title Insurance Policy (the "**Title Policy**") shall be issued by the Title Company as of the Closing Date. The Title Policy shall be a CLTA Owner's Title Insurance Policy unless Buyer elects, by appropriate escrow instructions to the Title Company, to cause the Title Company to issue an ALTA Owner's Title Insurance Policy in place of the CLTA Title Policy. If Buyer elects to have an ALTA policy issued, Buyer shall pay the premium for said ALTA Policy in excess of the costs and premium that would have been incurred for a CLTA Policy, and such election shall in no event extend the Closing Date. In addition, Buyer shall obtain at its sole cost any survey required in connection with the ALTA Policy and any endorsements requested by Buyer, and Buyer shall be solely responsible for the Title Company's acceptance of such survey. The Title Policy shall be in the amount of the Purchase Price and shall insure fee title to the Land in Buyer.

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3.3 Disclaimer of Title, Warranty. Nothing in this Agreement shall be construed as a warranty or representation by Seller, either express or implied, concerning Seller's title to the Land, and Seller makes no such warranty or representation (and Buyer acknowledges that Seller is only in possession of the Land and does not and have not at any time owned title to the Land). Buyer is relying solely upon the Title Report, the Title Policy and the grant deed from Seller to Buyer recorded at the Closing and Buyer's own Inspections (as defined in below) respecting title to the Land.

ARTICLE 4
BUYER'S DUE DILIGENCE; PRE-CLOSING OBLIGATIONS

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4.1 Due Diligence Investigations.

(a) **Contingency Date.** Buyer's obligations under this Agreement are subject to Buyer's approval or disapproval provided to Seller by written notice on or before ~~twenty-one~~ thirty (30) days (21) ~~days~~ after the Effective Date (the "**Contingency Date**") of the condition of the Purchased Assets. In connection with Buyer's approval or disapproval of the condition of the Purchased Assets, Buyer and Buyer's agents, contractors, engineers, surveyors, attorneys, and employees or any other party in connection with any inspections conducted by or for Buyer ("**Consultants**") shall have the opportunity, at their sole cost and risk, to inspect the Purchased Assets (including the environmental and other aspects of the physical condition of the Land) and investigate and study the operations of the Purchased Assets and the feasibility of acquiring and developing the Real Property (such investigations collectively hereinafter referred to as "**Inspections**") prior to the Contingency Date. Buyer acknowledges that to facilitate Buyer's Inspections, Seller has, for informational purposes only and without any representation or warranty of any kind, provided Buyer with certain studies, reports and information related to the Real Property (collectively, the "**Materials**"). Buyer's approval or disapproval pursuant to this Section 4.1(a) may be made at Buyer's sole and absolute discretion. In the event of Buyer's disapproval under this Section 4.1(a), (i) this Agreement shall be and be deemed terminated, (ii) Seller shall promptly thereafter instruct Escrow Holder to return the Earnest Money Deposit, plus any interest accrued thereon, to Buyer, and (iii) other than those matters which expressly survive the termination hereof, neither party shall have any further rights or obligations hereunder. Buyer's failure to provide written notice to Seller prior to the Contingency Date regarding Buyer's approval or disapproval of the Purchased Assets shall be deemed Buyer's disapproval of the Purchased Assets.

(b) **Mechanic's Liens.** Buyer shall not permit any mechanic's or materialmen's liens or any other liens to attach to the Purchased Assets by reason of the performance of any work or the purchase of any materials by Buyer and its Consultants. The provisions of this paragraph shall survive the termination of this Agreement, and if not so terminated, shall survive the closing of the Agreement and delivery of grant deed for the Real Property.

(c) **Contracts.** Within three (3) days after the Effective Date, Buyer may deliver written notice to Seller (the "**Contracts Notice**") specifying any of the Contracts which Buyer desires to continue at the Closing (the "**Assigned Contracts**"), to the extent any such Contracts are assignable to Buyer. If Buyer fails to deliver the Contracts Notice in accordance with the terms herein, there shall be no Assigned Contracts and Seller shall use reasonable efforts to terminate all Contracts at the Closing. To the extent that any Contract being assumed by Buyer

is assignable but requires the applicable vendor to consent to the assignment or assumption of the Contract by Seller to Buyer, then, prior to the Closing, Buyer shall be responsible for obtaining from each applicable vendor a consent (each a "**Required Assignment Consent**") to the assignment of the Contract by Seller to Buyer (and the assumption by Buyer of all obligations under such Contract). Buyer shall indemnify, hold harmless and, if requested by Seller (in Seller's sole discretion), defend (with counsel approved by Seller) Seller from and against any and all losses arising from or related to Buyer's failure to obtain any Required Assignment Consent.

4.2 Right of Entry.

(a) **Buyer's Right of Access.** Until the Closing Date or, if sooner, the date this Agreement is terminated, Buyer shall have a limited, non-exclusive license to enter upon the Land, at Buyer's sole cost and expense, in order to conduct such Inspections of the Purchased Assets as Buyer deems necessary or desirable; provided, however, that Buyer shall restore any damage done to the Purchased Assets in connection with any such Inspections performed by or on behalf of Buyer. Buyer's right of entry shall be subject to Seller's prior written approval, following Seller's receipt of written notice from Buyer by e-mail or fax (at the e-mail address or facsimile numbers listed below) of any such request giving the proposed time of entry, its approximate duration and a description of the specific nature of the entry, test, investigation or other matter, together with the parties that will be present. Seller's written approval may be evidenced by an e-mail or fax back to Buyer (at the e-mail address or facsimile number listed below) approving the request. Buyer shall permit Seller to have a representative present during all Inspections conducted with respect to the Purchased Assets. Buyer shall use best efforts to minimize disruption to any person or entity entitled to occupy any portion of the Land and Improvements in connection with Buyer's or its Consultant's activities pursuant to this Agreement. No consent by Seller to any such activity shall be deemed to constitute a waiver by Seller or assumption of liability or risk by Seller. Buyer hereby agrees to restore, at Buyer's sole cost and expense, the Purchased Assets to the same condition existing immediately prior to Buyer's exercise of its rights pursuant to this section. Buyer shall comply with all applicable laws and governmental regulations applicable to the Purchased Assets and shall indemnify, defend, protect and hold harmless Seller and the Purchased Assets from any and all claims (known or unknown), liabilities, damages and costs, including, without limitation, attorneys' fees and costs, arising out of any entry onto the Land for purposes contemplated herein by Buyer or its representatives, employees, Consultants or designees; provided, however, that Buyer shall not pursuant to this section be obligated to indemnify, defend, protect or hold harmless Seller or the Purchased Assets from claims, liabilities, damages or costs arising out of any: (i) acts or omissions of Seller, its agents or representatives; (ii) latent defects in the Land or Improvements; or (iii) hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws not brought onto the Land by Buyer or its agents or representatives, except if and to the extent Buyer exacerbates or worsens the condition. Such indemnity obligation of Buyer shall survive until (A) if this Agreement is terminated, the date that is one (1) year after the effective date of such termination, or (B) if this Agreement is not terminated, the date that is one (1) year after the Closing Date.

(b) **Insurance Requirements.** As a prior condition to any entry onto the Land (and for purposes hereof, any environmental inspections or soils tests shall not be considered routine inspections), Buyer shall maintain and cause its agents and Consultants to maintain and keep in effect (a) commercial general liability insurance naming Seller as an additional insured,

with limits of not less than $5,000,000.00 property damage, bodily injury or death and (b) worker's compensation insurance for all of its employees in accordance with the law of the State of California. Prior to Buyer's or its Consultants' entry onto the Land, Buyer shall deliver to Seller certificates of insurance evidencing such coverage and further evidencing that such coverage may only be terminated or modified upon not less than thirty (30) days prior written notice to Seller. The provisions of this paragraph shall survive the termination of this Agreement, and if not so terminated, shall survive the closing of this Agreement and delivery of grant deed for the Land.

4.3 Documents. In the event this Agreement is terminated for any reason (including due to either party's default), Buyer shall immediately deliver to Seller, at no cost to Seller, the originals (or copies if the originals are not available) of all studies, tests, surveys, applications, maps, agreements, plans and other documents related to the Land in Buyer's possession or control, whether previously delivered to Buyer by Seller as a part of the Materials or reports and information and Materials provided to Buyer and any reports, studies or other information prepared or compiled for Buyer by any Consultant or other third-party in connection with Buyer's investigation of the Land ("**Third-Party Reports**") obtained by Buyer in connection with its investigation and analysis of the Real Property, and, upon written request of Seller, Buyer shall assign to Seller, AS-IS and without representation or warranty as to accuracy or completeness, and subject to the proprietary rights of any third party consultants and any limitations imposed by them, all right, title and interest of Buyer in and to all or any portion of such documents as specified by Seller; provided, however, that this section shall not apply to: (a) confidential information; (b) any information subject to a legal privilege (including, without limitation, legal memoranda); or (c) accounting and financial information (including, without limitation, financial models regarding the Land). The provisions of this section shall survive any termination of this Agreement.

4.4 Escrow Cancellation Charges. In the event the Escrow shall fail to close by reason of a party's default, the defaulting party shall be liable for all Escrow cancellation charges, including but not limited to the costs of the title examination, Title Commitment and escrow fee. In the event the Escrow shall fail to close due to the failure of a Closing condition set forth below that is not caused by a default of one of the parties, each party shall pay one-half (1/2) of any Escrow cancellation charges.

ARTICLE 5
SELLER'S OBLIGATIONS

5.1 General Operation of the Business. If the Business is currently open and operating as of the Effective Date, Seller shall operate the Business or cause the Business to be operated after the Effective Date in the reasonable discretion of the Receiver, solely in her capacity as Receiver.

ARTICLE 6
CLOSING

6.1 Escrow. The Closing of the purchase and sale of the Purchased Assets shall be consummated through Escrow in accordance with the provisions of this ARTICLE 6.

6.2 Escrow Instructions for Closing. This Agreement shall constitute joint instructions to Escrow Holder. The parties agree to execute and deliver to the Escrow Holder reasonable and customary additional escrow instructions in the usual form of Escrow Holder for the purpose of consummating the purchase and sale contemplated by this Agreement; provided, however, that standard extension provisions in such escrow instructions shall not apply; and provided, further, that in the event of any conflict between this Agreement and any escrow instructions, the provisions of this Agreement shall control. Escrow Holder shall perform all customary functions of an escrow holder to consummate this transaction, including among other duties the calculation of the prorations and Closing Costs (as defined in Section 6.7 below) required by this Agreement, as well as serving as depository for all funds, instruments, and documents needed for the Close of Escrow. Upon the Closing, Escrow Holder is hereby instructed to remit all sales proceeds from the sale of the Purchased Assets to an interest-bearing account maintained at a federally insured bank or savings and loan association established by Seller, which sales proceeds shall be held and distributed in the manner set forth in the "Order Approving the Sale". For the sake of clarity, Escrow Holder's remittance of all sales proceeds from the sale of the Purchased Assets pursuant to the manner set forth in the foregoing sentence shall mean that such sales proceeds shall be remitted to Receiver.

6.3 Closing Conditions.

(a) Buyer's obligation to close is subject to satisfaction of the following conditions, which are for the benefit of Buyer and may be waived by Buyer in its sole discretion:

(i) Buyer shall have completed its due diligence investigation of the Purchased Assets and approved of the Purchased Assets, or be deemed to have approved of the Purchased Assets, on or prior to the Contingency Date; and

(ii) Seller shall not, as of the Closing Date, be in material default in the performance of its obligations under this Agreement.

(b) Seller's obligation to close is subject to satisfaction of the following conditions, which are for the benefit of Seller and may be waived by Seller in its sole discretion:

(i) All representations and warranties made by Buyer in this Agreement shall be true when made and shall be true as of the Closing Date, without any material adverse change, except for any material adverse change of which Buyer has notified Seller and which Seller has accepted;

(ii) All of the documents and funds required to be delivered by Buyer to Seller or Escrow Holder (as the case may be) at the Closing pursuant to the terms and conditions hereof shall have been delivered;

(iii) Seller shall have received all consents, documentation and approvals necessary to consummate and facilitate the transactions contemplated hereby, including, without limitation, approval of the sale of the Purchased Assets to Buyer from the Court and as may be required by law; and

(iv) Buyer shall not, as of the Closing Date, be in default in the performance of its obligations under this Agreement.

(c) In addition to the foregoing, Buyer's and Seller's respective obligations to Close are subject to the approval of the transaction contemplated herein by the Court, which approval shall be a condition for the benefit of both Buyer and Seller and may not be unilaterally waived by either party.

(d) If the purchase and sale fails to close by the Closing Date due to a failure of a condition, the party for whose benefit the condition is set forth may terminate this Agreement at any time thereafter until the Closing occurs, so long as the failure of condition is not caused by such party's breach of its obligations under this Agreement. If Buyer so terminates in connection with the condition set forth in Section 6.3(a)(ii), above (only), then Buyer shall be entitled as its sole and exclusive remedy to the return of the Earnest Money Deposit. If Seller so terminates, Seller shall be entitled to retain the Earnest Money Deposit.

6.4 Buyer's Deliveries. No later than one (1) business day prior to the Closing Date, Buyer shall deliver to Escrow Holder:

(a) The difference between the Purchase Price and the Earnest Money Deposit, and all costs and fees required to be paid by Buyer pursuant to Sections 6.6 and 6.7 below, all in Immediately Available Funds;

(b) A title affidavit (or at Buyer's option an indemnity) pertaining to Buyer's activity on the Real Property prior to Closing, in the customary form reasonably acceptable to Buyer, to enable Title Company to delete the standard exceptions to the title insurance policy set forth in this Agreement to be issued pursuant to the Title Report;

(c) Any declaration or other statement which may be required to be submitted to the local assessor with respect to the terms of the sale of the Real Property;

(d) A closing statement executed by Buyer;

(e) A countersigned counterpart of the Bill of Sale in the form attached as Exhibit "D" (the "**Bill of Sale**");

(f) A countersigned counterpart of a General Assignment in the form attached as Exhibit "E" (the "**General Assignment**");

(g) Copies of letters from the relevant vendors evidencing Buyer's assumption of the Assigned Contracts;

(h) Resolutions, certificates of good standing, and such other organizational documents, in form acceptable to the Title Company, authorizing the execution, delivery and performance by Buyer of this Agreement and designating one or more members to execute documents on Buyer's behalf in connection with this transaction;

(i) A countersigned counterpart of the Assignment of Membership Agreements in the form attached as Exhibit "G" (the "**Assignment of Membership Agreements**"); and

(j) Such other documents and instruments as may be reasonably requested by Seller or by the Escrow Holder in order to consummate this transaction.

6.5 Seller's Deliveries. No later than one (1) business day prior to the Closing Date, Seller shall deliver to Escrow Holder:

(a) A fully executed and acknowledged grant deed in the form attached as Exhibit "F" conveying the Land to Buyer;

(b) A closing statement executed by Seller;

(c) A countersigned counterpart of the Bill of Sale;

(d) A countersigned counterpart of the General Assignment;

(e) A countersigned counterpart of the Assignment of Membership Agreements; and

(f) Such other documents and instruments as may be required herein or reasonably requested by the Escrow Holder in order to consummate this transaction.

6.6 Prorations.

(a) **General.** All normal and customarily proratable items, including, without limitation, collected rents, operating expenses, all current installments of real estate taxes, assessments, bonds and personal property or use taxes, if any, shall be prorated as of the Closing Date. If, however, subsequent to the Close of Escrow, by reason of any change in assessment or change in rate or any other reason, the real estate taxes for the fiscal year covered by such apportionment should be determined to vary from those apportioned, the amount of any refund received by, or payment due from, Buyer shall be apportioned between Seller and Buyer as of the Closing Date at the request of either party. Escrow Agent shall prepare and deliver to Seller and Buyer a proration schedule (the "**Proration Schedule**") of the adjustments described in this Section 6.6 no later than two (2) days prior to Closing. Such adjustments shall be paid by Buyer to Seller (if the prorations result in a net credit to Seller) or by Seller to Buyer (if the prorations result in a net credit to Buyer), by increasing or reducing the cash to be paid by Buyer at the Closing. Any apportionments and prorations which are not expressly provided for below shall be made in accordance with customary practice in Sonoma County, California.

(b) **Operating Expenses.** All of the operating, maintenance, taxes (other than real estate taxes, such as rental taxes), and other expenses incurred in operating the Business that Seller customarily pays, and any other costs incurred in the ordinary course of business for the management and operation of the Business, shall be prorated on an accrual basis. Seller shall pay all such expenses that accrue prior to Closing and Buyer shall pay all such expenses that accrue from and after the Closing Date.

(c) **Utilities.** The final readings and final billings for utilities will be made if possible as of the Closing Date, in which case Seller shall pay all such bills as of the Closing Date and no proration shall be made at the Closing with respect to utility bills. Otherwise, a proration shall be made based upon the parties' reasonable good faith estimate and a readjustment made within thirty (30) days after the Closing, if necessary. Seller shall be entitled to the return of any deposit(s) posted by it with any utility company, and Seller shall notify each utility company serving the Business to terminate Seller's account, effective as of noon on the Closing Date.

(d) **Real Estate Taxes.** Any real estate ad valorem or similar taxes for the Real Property, or any installment of assessments payable in installments which installment is payable in the calendar year of Closing, shall be prorated to the date of Closing, based upon actual days involved. The proration of real property taxes or installments of assessments shall be based upon the assessed valuation and tax rate figures (assuming payment at the earliest time to allow for the maximum possible discount) for the year in which the Closing occurs to the extent the same are available; provided, however, that in the event that actual figures (whether for the assessed value of the Real Property or for the tax rate) for the year of Closing are not available at the Closing Date, the proration shall be made using figures from the preceding year (assuming payment at the earliest time to allow for the maximum possible discount). The proration of real property taxes or installments of assessments shall be final and not subject to re-adjustment after Closing.

(e) **Insurance Premiums.** No proration shall be made in relation to insurance premiums and insurance policies will not be assigned to Buyer.

(f) **No Post-Closing Adjustments.** Buyer and Seller hereby acknowledge and agree that neither Buyer nor Seller shall have any right to re-adjust any item on the Proration Schedule (or any item omitted therefrom) after the Closing. The provisions of this section shall survive the Closing and delivery of the grant deed to Buyer.

(g) **Membership Agreement Rentals**. All non-delinquent rents (including all accrued tax, utility, insurance and operating expense pass-throughs), charges and revenue of any kind receivable from the Membership Agreements will be prorated at Closing. Seller will receive all rents (including all accrued tax, utility and operating expense pass-throughs), charges and other revenue of any kind receivable from the Membership Agreements up to, and including, the Closing Date. No proration will be made with respect to any delinquent rents of any kind receivable from the Membership Agreements for any period before Closing. All amounts collected by Buyer subsequent to Closing relating to delinquent rents will be promptly remitted to Seller. Seller will retain all ownership rights relating to any such delinquent rents; if Buyer has not collected the same within thirty (30) days from the Closing Date, then Seller may take such action as it deems necessary to collect such delinquent rents, including the commencement of an action against the members under the Membership Agreements or any other person liable for such delinquent rents, but not including any action for unlawful detainer or other action seeking to terminate such member's occupancy of its premises. There shall not be any reconciliation of operating expenses and other charges and expenses are payable by members under the Membership Agreements after the Closing. After the Closing, Buyer shall be solely liable and responsible to the members under the Membership Agreements for reconciliation of operating expenses and other charges and expenses are payable by members under the Membership Agreements. Buyer's obligations under this Section 6.6(g) shall survive the Closing and delivery of the grant deed to Buyer.

6.7 Closing Costs. Seller shall pay: (a) the premium for a standard CLTA Owner's Policy of Title Insurance; (b) all County documentary transfer taxes; and (c) one-half (1/2) of all Closing Costs. Buyer shall pay: (i) any additional premium for an ALTA Policy of Title Insurance, if Buyer elects to receive same and the cost of any survey and/or title endorsements desired by Buyer; and (ii) one-half (1/2) of Closing Costs. Any other costs or expenses of the Escrow shall be borne by the parties in accordance with customary practice in Sonoma County, California. For purposes of this Agreement, "**Closing Costs**" shall mean escrow fees, city documentary transfer taxes, document preparation charges and acknowledgment and recording costs, but shall not include any attorneys' fees or other such costs and expenses incurred separately by Buyer or Seller.

6.8 Possession Upon Close of Escrow. Seller shall deliver possession of the Purchased Assets to Buyer (subject to the Assigned Contracts identified by Buyer pursuant to the terms above) upon the Close of Escrow.

6.9 Termination of this Agreement. In the event this Agreement is terminated in accordance with the provisions of Sections 6.3(d), 12.1(a), 12.2(a), 14.5 or 15, (i) any documents deposited with Escrow Holder shall be returned to the party depositing the same; (ii) Buyer shall return to Seller all documents delivered by Seller to Buyer pursuant to this Agreement and any Third-Party Reports; and (iii) unless otherwise specifically provided elsewhere, the Buyer shall pay all Escrow, title, and other costs, if any, incurred in connection with cancellation of the Escrow. If this Agreement is not so terminated, Buyer shall go forward with the acquisition of the Purchased Assets as provided in this Agreement and the Earnest Money Deposit shall be non-refundable, except in the event of Seller's default prior to the Close of Escrow.

6.10 Waiver of "Bulk Sale" Provisions. Buyer and Seller hereby acknowledge and agree that the sale of the Purchased Assets shall not be made as a "bulk sale" under Sections 6101 *et seq*. of the California Commercial Code, that there shall be no separate escrow or sub-escrow for the sale of any portion of the Purchased Assets, and that no "bulk sale" notice pursuant to Section 6105 of the California Commercial Code shall be given by Escrow Holder or the parties in connection with the transfer of any portion of the Purchased Assets. Seller represents and warrants to Buyer that Seller's principal business is not the sale of inventory from stock or that of a restaurant owner.

ARTICLE 7
REPRESENTATIONS AND WARRANTIES OF BUYER

7.1 Representations and Warranties of Buyer. Buyer represents and warrants as follows:

(a) **Authority.** The execution and delivery of this Agreement, and the consummation of the transactions contemplated hereby, have been duly authorized and approved by all requisite action of Buyer, and no other authorizations or approvals, whether of governmental bodies or otherwise, will be necessary in order to enable Buyer to enter into or to comply with the terms of this Agreement.

(b) **Binding Effect of Documents.** This Agreement and the other documents to be executed by Buyer hereunder, upon execution and delivery thereof by Buyer, will have been duly entered into by Buyer, and will constitute legal, valid and binding obligations of Buyer. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Buyer is a party or by which it is bound.

(c) **Representation Regarding Broker.** The Seller's Broker, the Buyer's Broker and their respective affiliates do not, and will not at the Closing, have any direct or indirect legal, beneficial, economic or voting interest in Buyer (or in an assignee of Buyer, which pursuant to Section 14.4, acquires the Purchased Assets at the Closing), nor has Buyer or any affiliate of Buyer granted (as of the Effective Date or the Closing Date) the Seller's Broker or the Buyer's Broker or any of their respective affiliates any right or option to acquire any direct or indirect legal, beneficial, economic or voting interest in Buyer; provided, however, the parties hereby acknowledge and agree that Cara Recine constitutes one (1) of the Buyers and shall also be permitted to be one (1) of the Buyer's Brokers with any commission (if the Closing occurs) to be paid pursuant to the terms of a separate agreement.

(d) **No Pending or Threatened Litigation.** No pending or threatened litigation exists which if determined adversely would restrain the consummation of the transactions contemplated by this Agreement or would declare illegal, invalid or non-binding any of Buyer's obligations or covenants to Seller.

(e) **Survival of Buyer's Representations and Warranties.** All warranties and representations of Buyer set forth in this Agreement shall survive for a period of six (6) months following the Closing Date and any claim with respect to a breach of any representation or warranty made or given by Buyer shall be initiated in accordance with the provisions of ARTICLE 10 within six (6) months of the Closing Date or such claim shall be forever barred.

ARTICLE 8
"AS IS" SALE

8.1 Independent Investigation. Buyer shall have independently investigated, analyzed and appraised the value, profitability and condition of the Purchased Assets, including, without limitation, the geological and soil condition of the Purchased Assets, the fitness or suitability of the Purchased Assets for Buyer's intended use of the Purchased Assets and all environmental matters relating to the Purchased Assets (including, but not limited to, the presence or absence of hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws), without relying on any representations of any kind (whether oral or written, express or implied) made by Seller to Buyer. Buyer is purchasing the Purchased Assets in its "AS IS, WHERE IS" condition as of the Effective Date solely in reliance upon Buyer's own investigations and evaluation thereof and without any representation or warranty by Seller as to the condition of the Purchased Assets.

8.2 AS-IS Purchase; No Side Agreements Or Representations. Buyer acknowledges and agrees that Buyer has independently and personally inspected the Purchased Assets, and the improvements, entitlements, plans and specifications related to the Purchased

Assets, Buyer has elected to go forward with the purchase of the Purchased Assets on the basis of such personal examinations and inspections as Buyer has deemed appropriate to make. Buyer agrees that **AS A MATERIAL INDUCEMENT TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT BY SELLER, BUYER IS PURCHASING THE PURCHASED ASSETS IN AN "AS IS" AND "WHERE IS" PHYSICAL CONDITION AND IN AN "AS IS" STATE OF REPAIR, WITH ALL FAULTS**. No person acting on behalf of Seller is authorized to make, and by execution hereof Buyer acknowledges and agrees that, except as specifically provided in this agreement, Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of and to, concerning or with respect to:

(i) the value of the Purchased Assets;

(ii) the income to be derived from the Purchased Assets;

(iii) the suitability of the Purchased Assets for any and all activities and uses which Buyer may conduct thereon, including without limitation any development of any or all of the Purchased Assets;

(iv) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Purchased Assets;

(v) the manner, quality, state of repair, or lack of repair, of the Purchased Assets;

(vi) the nature quality or condition of the Land or any of the other Purchased Assets, as applicable, including without limitation, the water, soil and geology;

(vii) the compliance of or by the Purchased Assets or the operation of the Purchased Assets with any laws, rules, ordinances, or regulations of any applicable governmental authority or body;

(viii) the manner, condition, or quality of the construction or materials, if any, incorporated into the Purchased Assets;

(ix) compliance with any environmental protection, pollution or land use laws, rules, regulation, orders or requirements, including but not limited to, the Endangered Species Act, Title III of the Americans With Disabilities Act of 1990, and any other law, rule or regulation governing access by disabled persons;

(x) the presence or absence of hazardous or toxic substances at, on, under, or adjacent to the Land;

(xi) the content, completeness or accuracy of the due diligence materials, including any informational package, document list or other materials prepared by Seller;

(xii) the conformity of the improvements to any plans or specifications for the Real Property, including any plans and specifications that may have been or may be provided to Buyer;

(xiii) the conformity of the Real Property to past, current or future applicable zoning or building requirements;

(xiv) deficiency of any undershoring;

(xv) deficiency of any drainage;

(xvi) the fact that all or a portion of the Purchased Assets may be located on or near an earthquake fault line or located in an Alquist-Priolo Special Study Zone;

(xvii) the existence of land use zoning or building entitlements affecting the Real Property;

(xviii) deficiency of any access to the Land and/or Improvements; and

(xix) with respect to any other matter concerning the Purchased Assets, except as may be otherwise expressly stated herein, including any and all such matters referenced discussed or disclosed in any documents delivered by Seller to Buyer, in any public records of any governmental agency, entity or utility company, or in any other documents available to Buyer.

Buyer acknowledges and agrees that the opportunity to inspect the Purchased Assets and review information and documentation respecting the Purchased Assets (including that disclosed in the Acknowledgment) as provided in this Agreement is sufficient to allow the Buyer to make an adequate investigation of the Purchased Assets and that Buyer is relying solely on its own investigation of the Purchased Assets and review of such information and documentation, and not, on any information provided or to, be provided by Seller. Buyer further acknowledges and agrees that any information made available to Buyer or provided or to be provided by or on behalf of Seller with respect to the Purchased Assets was obtained from a variety of sources and that Seller has not made any independent investigation or verification of such information and make no representations as to the accuracy or completeness of such information except as may otherwise be provided herein. Buyer agrees to fully and irrevocably release all such sources of information and preparers of information and documentation to the extent such sources or preparers are Seller, or its employees, members, officers directors, representatives, agents, servants, attorneys, affiliates, parent companies, subsidiaries, successors or assigns, from any and all claims that it may now have or hereafter acquire against such sources and preparers of information for any costs, loss, liability, damage, expense, demand, action or cause of action arising from such information or documentation. Seller is not liable or bound in any manner by any oral or written statements, representations or information pertaining to the Purchased Assets or the operation thereof furnished by any of the foregoing entities and individuals or any other individual or entity. Buyer further acknowledges and agrees that to the maximum extent permitted by law, the sale of the Purchased Assets as provided for herein is made on an "AS-IS" condition and basis, with all faults, and that Seller has no obligations to make repairs, replacements or improvements.

8.3 NO LIABILITY TO RECEIVER. WITHOUT LIMITATION OF THE FOREGOING, AS AN ESSENTIAL INDUCEMENT TO RECEIVER TO ENTER INTO THIS AGREEMENT, AND AS PART OF THE DETERMINATION OF THE CONSIDERATION GIVEN HEREUNDER, BUYER ACKNOWLEDGES, UNDERSTANDS AND AGREES AS FOLLOWS:

(a) BUYER ACKNOWLEDGES AND AGREES THAT RECEIVER IS ENTERING INTO THIS AGREEMENT SOLELY IN CONNECTION WITH HIS OR HER DUTIES AS RECEIVER PURSUANT TO THE ORDERS. IN NO EVENT SHALL RECEIVER BE LIABLE FOR ANY ERROR OF JUDGMENT OR ACT DONE BY RECEIVER, OR BE OTHERWISE RESPONSIBLE OR ACCOUNTABLE UNDER ANY CIRCUMSTANCE WHATSOEVER, EXCEPT IF THE RESULT OF RECEIVER'S GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT. RECEIVER SHALL NOT BE PERSONALLY LIABLE IN CONNECTION WITH ANY DUTIES PERFORMED BY RECEIVER PURSUANT TO THE ORDERS.

(B) NO PROVISION OF THIS AGREEMENT SHALL OPERATE TO PLACE ANY OBLIGATION OR LIABILITY FOR THE CONTROL, CARE, MANAGEMENT OR REPAIR OF THE PURCHASED ASSETS UPON RECEIVER NOR SHALL IT OPERATE TO MAKE RECEIVER RESPONSIBLE OR LIABLE FOR ANY WASTE COMMITTED ON THE REAL PROPERTY BY ANY PERSON OR FOR ANY DANGEROUS OR DEFECTIVE CONDITION OF THE PURCHASED ASSETS OR FOR ANY NEGLIGENCE IN MANAGEMENT, UPKEEP, REPAIR OR CONTROL OF THE PURCHASED ASSETS RESULTING IN LOSS OR INJURY OR DEATH TO ANY PERSON.

8.4 Survival. The provisions of this ARTICLE 8 shall survive the Close of Escrow indefinitely or until the maximum extent allowed under applicable laws.

ARTICLE 9
RELEASE AND INDEMNITY

9.1 Release. To the maximum extent permitted by law, Buyer, on behalf of itself and its past, present and future agents, representatives, partners, shareholders, principals, attorneys, affiliates, parent corporations, subsidiaries, officers, directors, employees, predecessors, successors, heirs and executors and assigns (collectively, "**Buyer's Parties**"), hereby releases and forever discharges Seller, and each of their respective past, present and future agents (including Receiver and Seller's Broker (as defined herein), representatives, partners, attorneys', shareholders, principals, affiliates, parent corporations, subsidiaries, officers, directors, employees, predecessors, successors, heirs, executors and assigns (collectively, "**Indemnitees**"), from and against all claims, rights, remedies, recourse or other basis for recovery, legal or administrative proceedings, losses, liabilities, damages, penalties, fines, liens, judgments, costs or expenses whatsoever (including, without limitation, attorneys' fees and costs) ("**Claims**"), whether direct or indirect, known or unknown, foreseen, whether before or after the Closing Date, including without limitation any loss, damage, injury, illness, death or other claim attributable to: (a) the use of the Purchased Assets or any part thereof; (b) a defect in the design or construction of any improvements on or about the Purchased Assets or the physical condition of the Purchased Assets, including without limitation the grading of the Land or land adjacent to the Land, whether or not

performed by an Indemnitee, and any surface and subsurface conditions; (c) the presence on the Land of any threatened or endangered species, or any archaeological sites, artifacts or other matters of archaeological significance, or any hazardous or toxic substances or industrial hygiene in violation of any and all applicable environmental laws including, without limitation, all claims in tort or contract and any claim for indemnification or contribution arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601, et seq.) or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters; (d) any act, omission or representation of Buyer or any of Buyer's Parties; (e) any accident or casualty on the Real Property caused by or attributable to the acts or omissions of any Indemnitees, Buyer or Buyer's Parties on or about the Real Property; (f) a violation or alleged violation by any Indemnitee, Buyer, or Buyer's Parties of any law now or hereinafter enacted, including, without limitation, any requirements of the City; (g) a slope failure or surface or subsurface geologic or groundwater condition caused by or attributable to any Indemnitee, Buyer or Buyer's Parties; (h) the design, construction, engineering or other, work with respect to the Real Property provided or performed by or caused by or attributable to any Indemnitee, Buyer or Buyer's Parties, whether before or after the Closing Date; (i) any other cause whatsoever in connection with Buyer's use of the Purchased Assets or Buyer's performance under the Agreement or any of the instruments executed and delivered at the Closing in connection herewith; (j) any breach by Buyer in the performance of its obligations under this Agreement or the other instruments executed and delivered at the Closing in connection herewith; or (k) the application of the principles of strict liability in connection with the Purchased Assets (collectively, the "**Released Claims**"). Notwithstanding the foregoing, the Buyer shall not be required to or be deemed to have waived any Claims against any particular Indemnitee from an event which arises from a pre-existing relationship or claim between the Buyer and such Indemnitee.

With respect to this release and discharge, Buyer, on behalf of itself and all of Buyer's Parties, hereby acknowledges that the Released Claims may include Claims of which Buyer is presently unaware, or which Buyer does not presently suspect to exist, or which may not yet have accrued or become manifest, and which, if known by Buyer on the Effective Date or the Closing Date would materially affect Buyer's release and discharge of Seller and the other Indemnitees, and Buyer, on behalf of itself and all of Buyer's Parties, hereby waives application of the California Civil Code Section 1542 which provides as follows:

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

Buyer understands and acknowledges that the significance and consequence of this waiver of California Civil Code Section 1542 is that, even if Buyer or any of Buyer's Parties suffer future damages arising out of or resulting from any Released Claims, neither Buyer nor any of Buyer's Parties will be able to make any claim for those damages against Seller or any other Indemnitee. Furthermore, Buyer acknowledges that it intends these consequences for any such Claims which may exist as of the date of this release but which Buyer does not know exist, and which, if known,

would materially affect Buyer's decision to execute this Agreement, regardless of whether Buyer's lack of knowledge is the result of ignorance, oversight, error, negligence or any other cause.

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9.2 Survival. The provisions of this ARTICLE 9 shall survive the Close of Escrow indefinitely or until the maximum extent allowed under applicable laws.

ARTICLE 10
DISPUTE RESOLUTION

10.1 Court Trial. Each party to this Agreement hereby expressly waives any right to trial by jury with respect to any claim, demand, action or cause of action (a) arising under this Agreement, including, without limitation, any present or future modification thereof, or (b) in any way connected with or related or incidental to the dealings of the parties hereto or any of them with respect to this Agreement (as now or hereafter modified) or any other instrument, document or agreement executed or delivered in connection herewith, or the transactions related hereto or thereto, in each case whether such claim, demand, action or cause of action is now existing or hereafter arising, and whether sounding in contract or tort or otherwise; and each party hereby agrees and consents that any such claim, demand or cause of action shall be decided by court trial without a jury, and that any party to this Agreement may file an original counterpart or a copy of this section with any court as written evidence of the consent of the parties hereto to the waiver of any right they might otherwise have to trial by jury. The parties shall be entitled to recover only their actual damages, and no party shall be entitled to recover any consequential damages, punitive damages, or any other damages that are not actual damages.

10.2 Venue. Any action shall be commenced and maintained in the Court. The parties irrevocably consent to jurisdiction and venue in such Court and agree not to seek transfer or removal of any action commenced in accordance with the terms of this article.

ARTICLE 11
NATURAL HAZARD DISCLOSURE STATEMENT

11.1 Buyer's Acknowledgment. Buyer acknowledges that: (a) it is a sophisticated and experienced purchaser of real property; (b) Buyer and Seller are parties of equal bargaining strength; (c) this Agreement is not a contract of adhesion but has been expressly negotiated between the parties; and (d) this Agreement concerns a transaction that is private in nature. Buyer further acknowledges that it has the opportunity to make, has made or will make its own independent investigations, as provided in this Agreement, and that the opportunity for investigation provided herein allows the Buyer to determine, among other issues, whether the Land is located in any natural hazard areas.

11.2 Waiver of Natural Hazard Disclosure Statement. Notwithstanding anything to the contrary below, Buyer hereby knowingly, voluntarily and intentionally waives its right to disclosure of natural hazards found in the Natural Hazard Disclosure Act, California Government Code Sections 8589.3, 8589.4, and 51183.5, California Public Resources Code Sections 2621.9,

2694, and 4136, and California Civil Code Section 1103, and any successor statutes or laws (the "**Act**"). This waiver is a material inducement to Seller's decision to enter into this Agreement and the calculation of the Purchase Price, and Buyer acknowledges that Seller would not have entered into this Agreement but for this waiver.

11.3 Natural Hazard Disclosure Statement. Buyer acknowledges that, prior to the Effective Date, Buyer has received and executed the Natural Hazard Disclosure Statement ("**Disclosure Statement**"). Buyer acknowledges that the Disclosure Statement is being delivered pursuant to the Act. Buyer acknowledges and agrees that nothing contained in the Disclosure Statement shall release Buyer from its obligation to fully investigate the condition of the Real Property, including without limitation whether the Real Property is located, in any natural hazard areas, and that Buyer has the expertise to perform such investigations. Buyer further acknowledges and agrees that the matters set forth in the Disclosure Statement may change on or prior to the Close of Escrow and that Seller has no obligation to update, modify or supplement the Disclosure Statement. Buyer shall be solely responsible for preparing and delivering its own Natural Hazard Disclosure Statement to any subsequent prospective purchasers of the Real Property.

ARTICLE 12
CONDEMNATION AND DESTRUCTION

12.1 Eminent Domain or Taking. If proceedings under a power of eminent domain relating to the Land or any part thereof are commenced prior to Close of Escrow, Seller shall promptly notify Buyer in writing and the following terms shall apply:

(a) If such proceedings involve the taking of title to all or a Material (as defined below) portion of the Land, Buyer may elect to terminate this Agreement by written notice given within ten (10) days of Seller's written notice to Buyer advising of such proceedings, in which case neither party shall have any further rights or obligations hereunder, except for those which are expressly stated to survive termination of this Agreement or which are contained in Section 6.9.

(b) If the proceedings do not involve the taking of title to all or a Material portion of the Land, or if Buyer does not elect to terminate this Agreement, this transaction shall be consummated as described herein and any award or settlement payable with respect to such proceeding shall be paid or assigned to Buyer upon Close of Escrow.

(c) If the purchase and sale of the Purchased Assets is not consummated for any reason, any condemnation award or settlement shall belong solely to Seller.

12.2 Damage or Destruction. Except as provided in this section, prior to the Close of Escrow, the entire risk of loss of damage by earthquake, landslide, fire or other casualty shall be borne and assumed solely by Seller. If, prior to the Close of Escrow any part of the Land or improvements thereon is damaged or destroyed by earthquake, landslide, fire or other casualty, Seller shall promptly inform Buyer of such fact in writing and advise Buyer as to the extent of the damage and whether it is, in Seller's reasonable opinion, "Material" or "not Material." The following terms shall apply:

(a) If such damage or destruction is "Material," Buyer shall have the option to terminate this Agreement upon written notice to Seller given not later than ten days after receipt of Seller's written notice to Buyer advising of such damage or destruction.

(b) If Buyer does not elect to terminate this Agreement, or if the damage or destruction is not "Material," Seller shall reduce the Purchase Price by the value reasonably estimated by Seller to repair or restore the damaged portion of such Land or improvements, less any sums expended by Seller to make emergency repairs to such Land or improvements or to otherwise protect the physical condition of such Land or improvements, and this transaction shall close pursuant to the terms of this Agreement.

(c) If the damage is not "Material," Seller's notice to Buyer of the damage or destruction shall also set forth Seller's reduced Purchase Price and Seller's allocation of value to the damaged portion of such improvements. If Buyer does not accept Seller's reduced Purchase Price, Seller may elect to repair or restore the damaged portion of such improvements. If Seller elects to repair or restore the damage, then Buyer shall proceed to the Closing. If Seller does not elect to repair or restore the damage, and Buyer does not accept Seller's reduced Purchase Price Buyer's sole remedy shall be to terminate this Agreement. If Buyer elects to terminate the Agreement pursuant to this Section 12.2(c), the provisions of Section 6.9 shall apply.

(d) Whether or not the sale of the Purchased Assets is consummated hereunder, all rights to insurance claims or proceeds with respect to any damage to or destruction of any improvements occurring prior to the Close of Escrow shall belong to Seller.

12.3 Definition of Material. As used in this ARTICLE 12, "**Material**" shall mean any taking, condemnation, damage or destruction to or of the Land, as applicable, which causes the temporary closing of the Land for a period of five (5) days or more and costs more than Fifty Thousand Dollars ($50,000.00) to repair.

ARTICLE 13
DEFAULT BY BUYER

13.1 DEFAULT BY BUYER. UPON DEFAULT BY BUYER, SELLER SHALL BE ENTITLED TO TERMINATE THIS AGREEMENT UPON WRITTEN NOTICE TO BUYER AND THE ESCROW HOLDER. IN SUCH EVENT, ESCROW HOLDER SHALL RELEASE THE EARNEST MONEY DEPOSIT TO SELLER, AND SELLER SHALL BE ENTITLED TO RECEIVE AND RETAIN THE EARNEST MONEY DEPOSIT AS LIQUIDATED DAMAGES AND, EXCEPT FOR BUYER'S INDEMNITY AND OTHER SPECIFIC OBLIGATIONS REFERRED TO HEREIN WHICH MAY BE ENFORCED BY SELLER, NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER. IN THE EVENT THE CLOSING DOES NOT OCCUR BECAUSE OF BUYER'S DEFAULT, BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE OF THE PURCHASED ASSETS PURSUANT TO THIS AGREEMENT, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE EFFECTIVE DATE, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS

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SECTION REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH DEFAULT; PROVIDED, HOWEVER, THAT THIS PROVISION SHALL NOT: (A) LIMIT SELLER'S RIGHT TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' FEES; (B) WAIVE OR AFFECT BUYER'S INDEMNITY OBLIGATIONS AND SELLER'S RIGHTS TO SUCH INDEMNITY; OR (C) WAIVE OR AFFECT BUYER'S OBLIGATIONS TO RETURN OR PROVIDE TO SELLER DOCUMENTS, REPORTS OR OTHER INFORMATION PROVIDED TO OR PREPARED BY OR FOR BUYER PURSUANT TO APPLICABLE PROVISIONS OF THIS AGREEMENT. THEREFORE, BUYER AND SELLER DO HEREBY AGREE THAT AS OF THE EFFECTIVE DATE, A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PURCHASED ASSETS IS AN AMOUNT EQUAL TO THE EARNEST MONEY DEPOSIT (WHICH INCLUDES ANY ACCRUED INTEREST THEREON). SAID AMOUNT SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. SELLER HEREBY WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 3389.

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Seller's initials

13.2 Default by Seller; Unsuccessful Bidder. Subject to Section 8.3, if the sale of the Purchased Assets is not consummated because of a material default by Seller under this Agreement or because Buyer is not the High Bidder, Buyer's sole remedy shall be to terminate this Agreement and recover the Earnest Money Deposit and interest accrued thereon.

ARTICLE 14
MISCELLANEOUS PROVISIONS

14.1 Brokerage Commissions. Seller represents and warrants to Buyer that Seller has not engaged any broker or finder in connection with the transaction contemplated by this Agreement other than Sara Wann of Keegan & Coppin Company, Inc. ("**Seller's Broker**"), whose commission (if the Closing occurs) shall be paid pursuant to a separate agreement entered into by Seller and Seller's Broker. Buyer represents and warrants to Seller that Buyer has not engaged any broker or finder in connection with the transaction contemplated by this Agreement other than Cara Recine and Robert Bialkin of Bialkin Realty (collectively, "**Buyer's Broker**"), whose commission (if the Closing occurs) shall be paid pursuant to a separate agreement. The parties hereby acknowledge that Robert Bialkin, Esq. is an attorney (CalBar 265854) but does not

represent any party in that capacity in this transaction unless expressly retained, and that all parties should seek independent legal and tax counsel if so desired. Buyer shall indemnify, defend and hold Seller and Seller's Broker harmless from and against any liability, cost or expense arising out of or connected with any claim for any commission or compensation made by any person or entity claiming to have been retained or contacted by Buyer in connection with, this transaction, and Seller shall indemnify, defend and hold Buyer harmless from and against any liability, cost or expense arising out of or connected with any claim for any commission or compensation made by any person or entity claiming to have been retained or contacted by Seller in connection with this transaction. This indemnity provision shall survive the Closing or any earlier termination of this Agreement. Seller's Broker and Buyer's Broker shall not be deemed parties or third party beneficiaries of this Agreement. As a condition to Seller's obligation to pay the commission pursuant to this Section 14.1, each of Seller's Broker and Buyer's Broker shall execute the respective signature page for each such broker attached hereto solely for purposes of confirming the matters set forth therein; provided, however, that (a) such signatures hereon of Seller's Broker and Buyer's Broker shall not be a prerequisite to the binding nature of this Agreement on Buyer and Seller, and the same shall become fully effective upon execution by Buyer and Seller, and (b) neither the signature of Seller's Broker nor Buyer's Broker will not be necessary to amend any provision of this Agreement.

14.2 Notices. All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by confirmed facsimile transmission with an original copy thereof transmitted to the recipient by one of the means described in subsections (a) through (c) no later than three (3) business days thereafter. All notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by overnight courier or mail as aforesaid and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the addressor did not have either knowledge or written notice delivered in accordance with this paragraph, then the first attempted delivery shall be deemed to constitute delivery. Each party shall be entitled to change its address for notices from time to time by delivering to the other party notice thereof in the manner herein provided for the delivery of notices. All notices shall be sent to the addressee at its address set forth following its name below:

To Seller/Receiver:

Krista L. Freitag
E3 Advisors
355 South Grand Avenue, Suite 2450
Los Angeles, California 90071

E-mail: kfreitag@ethreeadvisors.com
Facsimile: (213) 943-1374

With a copy to:

Allen Matkins Leck Gamble Mallory & Natsis LLP
One America Plaza, 600 West Broadway, 27th Floor
San Diego, CA 92101-0903
Email: tfates@allenmatkins.com
Facsimile: (619) 233-1158
Attention: Ted G. Fates, Esq.

To Buyer:

Cara Recine and Anthony Sanchez
1473 Great Heron Drive
Santa Rosa, CA 95409
Email: cararecine@gmail.com and mytoothdds@gmail.com

14.3 Confidentiality. Unless otherwise agreed to in writing by Seller and Buyer, each party shall keep confidential all documents, contracts, prices, plans specifications, strategies, marketing programs, financial statements, reports or other information provided to, or generated by the other party relating to the Purchased Assets and shall not disclose any such information to any person other than: (a) employees, agents and attorneys of Seller or Buyer; (b) those who are actively and directly participating in the evaluation of the Purchased Assets, or the appraisal, investigation or financing of the purchase or construction of the Real Property; and (c) governmental, administrative, regulatory or judicial authorities in the investigation of the compliance of the Purchased Assets with applicable legal requirements. Buyer agrees to provide this confidentiality provision to any consultant, contractor or employee to whom confidential information may be disclosed and shall require any such consultant, contractor or employee to be bound by this confidentiality provision. Buyer expressly covenants and agrees that it shall not disclose any code compliance, environmental or other regulatory matters to governmental or other authorities without the express prior written approval by Seller unless required by law, in which case Buyer shall immediately notify Seller thereof. Upon any termination of this Agreement for any reason, Buyer shall promptly return to Seller copies of all documents or other information pertaining to the Purchased Assets provided to Buyer by Seller. Notwithstanding anything to the contrary contained herein, Buyer hereby acknowledges that a copy of this Agreement shall be provided to Prospective Bidders (as defined below) in connection with the overbid process, in accordance with and subject to the terms and conditions of Article 15, below, and that in no event shall any such provision of this Agreement to Prospective Bidders be considered a violation of the confidentiality requirements set forth herein. Buyer also acknowledges that a copy of this Agreement shall be filed with the Court in connection with the Receiver's motion for Court approval of the sale. The provisions of this Section 14.3 shall survive the Closing or earlier termination of this Agreement.

14.4 Assignment. Buyer shall not assign this Agreement without obtaining Seller's prior written consent, which consent may be withheld by Seller in its sole and absolute discretion for any reason whatsoever.

14.5 Bankruptcy. Buyer agrees that in the event that: (a) all or substantially all of Buyer's assets are placed in the hands of a receiver or trustee, and such receivership or trusteeship continues for a period of thirty (30) days; (b) Buyer makes an assignment for the benefit of creditors; (c) Buyer is adjudicated a bankruptcy; (d) Buyer institutes any proceeding under any law relating to bankruptcy wherein Buyer seeks to be adjudicated a bankrupt, or to be discharged of its debts, or to effect a plan of liquidation, composition or reorganization; (e) an involuntary proceeding is filed against Buyer under any bankruptcy laws and Buyer consents thereto or acquiesces therein by pleading or default or such involuntary proceeding is not dismissed within ninety (90) days; or (f) substantially all of Buyer's assets are attached or seized by judicial order where such seizure is not discharged within thirty (30) days then: (i) Buyer shall be deemed to be in default hereunder, (ii) this Agreement, including without limitation the rights granted herein, shall not become an asset in any of such proceedings; (iii) in addition to all other available remedies it shall be lawful for Seller to declare this Agreement terminated; and (iv) Buyer shall have no further claim on the Purchased Assets hereunder or otherwise, and no right to return of its Earnest Money Deposit or any other payments or expenses incurred pursuant to this Agreement.

14.6 Not an Offer; Last Date for Submission. Seller's delivery of unsigned copies of this Agreement is solely for the purpose of review by the party to whom delivered, and neither the delivery nor any prior communications between the parties, whether oral or written, shall in any way be construed as an offer by Seller, nor in any way imply that Seller is under any obligation to enter the transaction which is the subject of this Agreement. The signing of this Agreement by Buyer constitutes an offer which shall not be deemed accepted by Seller unless and until Seller has signed this Agreement and delivered a duplicate original to Buyer.

14.7 Modification. This Agreement may not be modified or amended except by a written agreement executed by Seller and Buyer, and only to the extent set forth therein.

14.8 Attorneys' Fees. In the event any legal or equitable action is commenced in connection with this Agreement or the Purchased Assets, whether in contract or in tort, the prevailing party (as determined by the court) shall be entitled to recover from the losing party all reasonable costs and expenses incurred, including but not limited to reasonable attorneys' fees, in addition to all other relief and remedies to which the prevailing party may be entitled.

14.9 Successors and Assigns. Subject to the limitations on Buyer's right to assign, this Agreement shall be binding on, and shall inure to the benefit of, the successors and assigns of the parties.

14.10 Duplicate Counterparts. This Agreement may be executed in duplicate counterparts, all of which together shall constitute a single instrument, and each of which shall be deemed an original of this Agreement for all purposes, notwithstanding that less than all signatures appear on any one counterpart.

14.11 Section Headings. The various section headings in this Agreement are inserted for convenience of reference only, and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

14.12 Survival of Covenants, etc. Except as otherwise expressly provided herein, all agreements, conditions, acknowledgments, representations, and other obligations set forth in this Agreement shall merge with the grant deed and shall not survive the Close of Escrow.

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

14.14 No Recorded Memorandum. Prior to Close of Escrow, neither this Agreement nor any memorandum hereof or reference hereto shall be filed in any place of public record. Failure of Buyer to comply with this Section shall be a material default by Buyer under this Agreement and, at the election of Seller, shall automatically and immediately terminate all of Buyer's rights under this Agreement, and thereafter Buyer shall not have any right, title, or interest in or to the Purchased Assets whatsoever.

14.15 Exhibits. All Exhibits attached to, and to which reference is made in, this Agreement are incorporated into, and shall be deemed a part of, this Agreement.

14.16 Entire Agreement. This Agreement is the entire agreement of Seller and Buyer with respect to the Purchased Assets, containing all of the terms and conditions to which Seller and Buyer have agreed. This Agreement supersedes and replaces entirely all previous oral and written understandings, offers, counter offers, acceptances, if any, of Seller and Buyer respecting the Purchased Assets.

14.17 Time. Time is of the essence in this Agreement and each and every provision of this Agreement.

14.18 Governing Law and Forum. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. The exclusive forum for resolving disputes arising from or related to this Agreement, the overbid process (defined below) or closing of the sale shall be the Court in the Case.

14.19 Severability. If any term, provision, covenant or condition of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement shall continue in full force and effect and shall in no way be affected, impaired, or invalidated.

14.20 Joint Venture. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other agreement between Buyer and Seller. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

14.21 Signer's Warranty. Each individual executing and delivering this Agreement on behalf of a party hereby warrants and represents to the other party that he or she has been duly authorized and empowered to do so.

14.22 Multiple Buyers. As used in this Agreement, the term "Buyer" means all entities acquiring any interest in the Purchased Assets at the Closing, including, without limitation, any assignee(s) of the original Buyer. In the event that "Buyer" has any obligations or makes any covenants, representations or warranties under this Agreement, the same shall be made jointly and severally by all entities being a Buyer hereunder. In the event that Seller receives notice from any entity being a Buyer hereunder, the same shall be deemed to constitute notice from all entities being a Buyer hereunder. In the event that any entity being a Buyer hereunder takes any action, breaches any obligation or otherwise acts pursuant to the terms of this Agreement, the same shall be deemed to be the action of the other entity(ies) being a Buyer hereunder and the action of "Buyer" under this Agreement. In the event that Seller is required to give notice or take action with respect to Buyer under this Agreement, notice to any entity being a Buyer hereunder or action with respect to any entity being a Buyer hereunder shall be a notice or action to all entities being a Buyer hereunder. In the event that any entity being a Buyer hereunder desires to bring an action or arbitration against Seller, such action must be joined by all entities being a Buyer hereunder in order to be effective. In the event that there is any agreement by Seller to pay any amount pursuant to this Agreement to Buyer under any circumstance, that amount shall be deemed maximum aggregate amount to be paid to all parties being a Buyer hereunder and not an amount that can be paid to each party being a Buyer hereunder. In the event that Seller is required to return the Earnest Money Deposit or other amount to Buyer, Seller shall return the same to any entity being a Buyer hereunder and, upon such return, shall have no further liability to any other entity being a Buyer hereunder for such amount. The foregoing provisions also shall apply to any documents to be executed pursuant to the provisions of this Agreement.

ARTICLE 15
SALE PROCEDURES AND OVERBID, POTENTIAL AUCTION PROCESS

15.1 Due Diligence Information. After signing a Confidentiality and Non-Disclosure Agreement ("**NDA**") and Access Agreement, all prospective buyers ("**Prospective Buyers**") shall have had the opportunity to inspect the Purchased Assets and any documentation made available to all Prospective Buyers. Prospective Buyers may also request access to information about the Purchased Assets ("**Due Diligence Information**") and obtain a form purchase and sale agreement.

15.2 No Representations and Warranties for Due Diligence Information. Any Due Diligence Information provided to Prospective Buyers is for informational purposes only and provided without any warranty, guaranty or representation by Receiver, or Receiver's Broker. All Prospective Buyers shall conduct their own independent investigation and analysis regarding the condition of the Purchased Assets and their suitability for Prospective Buyers' intended use. Neither the Receiver, nor the Receiver's Broker has made any representations, express or implied, regarding the completeness or accuracy of the Due Diligence Information.

15.3 Receivership Sale Requirements for Sales of Real Property. There are specific statutory requirements that must be met before the Court will approve a sale of real property out of a federal receivership. The procedures set forth herein are designed to meet those requirements, one of which is that the Receiver must accept only the "highest and best" offer. The parties acknowledge it is a condition precedent to the Closing that Receiver obtain the Court Approval and the Receiver shall seek such approval from the Court. Receiver shall, shortly after determining and announcing the highest and best offer, request a hearing date from the Court for the sale motion

(the "**Hearing Date**"). Furthermore, once a highest and best offer has been identified, the proposed sale will be published in San Diego Union Tribune for four consecutive weeks with the overbid information included therein. During the offer review process, Receiver will work to qualify all offerors as potential qualified overbidders.

15.4 Qualified Bidders. To be determined a qualified overbidder (a "**Qualified Bidder**"), one must: (i) provide a fully executed purchase and sale agreement for the Purchased Assets in form substantially similar to this Agreement ("**Qualified Bid PSA**"), acceptable to the Receiver in her sole discretion; (ii) provide an earnest money deposit (the "**Bid Deposit**") by wire transfer or cashier's check in the amount of Sixty-Six Thousand Dollars ($66,000.00) payable to the Receiver, which amount shall be *non-refundable* to the Qualified Bidder with the highest bid at the Auction (the "**High Bidder**") if for any reason (a) the High Bidder fails to finally close the purchase and sale such that title transfers by no later than the Closing Date or (b) the High Bidder fails to provide the balance of the purchase price to the Receiver one day prior to the Closing Date; and (iii) provide proof of funds in such form as shall be required by Receiver. Each Qualified Bidder must provide the Qualified Bid PSA and Bid Deposit to the Receiver no later than three (3) business days prior to the Auction. The Qualified Bidders shall appear at the Auction in person, or through a duly authorized representative. If there are multiple Qualified Bidders at the Auction, the Receiver shall obtain the Court's approval of the High Bidder and also the Qualified Bidder with the next highest bid at the Auction (the "**Backup Bidder**"). The Receiver shall retain the Backup Bidder's Bid Deposit until (a) the closing for the High Bidder occurs, in which event the Backup Bidder's Bid Deposit shall immediately be returned to the Backup Bidder, or (b) the closing for the High Bidder fails to occur, in which event the Backup Bidder's Bid Deposit shall be applied to the purchase price for the Backup Bidder's closing as set forth herein below. If the High Bidder fails to close the purchase and sale of the Purchased Assets, the Backup Bidder shall be deemed to be the High Bidder and the Receiver shall provide written notice thereof to the Backup Bidder. Within ten (10) days after the Backup Bidder's receipt of such notice from the Receiver, the closing for the Backup Bidder's purchase of the Purchased Assets shall occur. Pursuant to the foregoing, if the initial High Bidder fails to close the purchase and sale of the Purchased Assets and the Court has approved a Backup Bidder, the Receiver shall proceed to close with the Backup Bidder without any obligation to conduct another auction as a condition precedent to such closing. The High Bidder's Bid Deposit shall be applied to the purchase price at closing, if the sale is approved by the Court and the High Bidder closes the purchase and sale of the Purchased Assets

15.5 Overbids, Bid Increments, and Auction. The minimum overbid shall be Two Million Seventy-Five Thousand Dollars ($2,075,000.00). If any overbids are received and are qualified, the Receiver will advise the Court of the overbid and will propose to the Court that the sale of the Purchased Assets be subject to an auction (the "**Auction**") conducted by the Receiver. As applicable, the Receiver will provide the Auction instructions to the Court and Qualified Bidders. Only Qualified Bidders (as defined below) may make bids at the Auction. All bids will be subject to overbids in increments of Twenty-Five Thousand Dollars ($25,000.00). The Court may reject any and all bids following conclusion of the Auction.

15.6 Consent to Court Jurisdiction and Waiver of Jury Trial. All Qualified Bidders appearing at the Auction shall have deemed to have consented to the Court's jurisdiction and

waived any right to jury trial in connection with any disputes related to the Auction, or the closing of the sale. The Court shall be the exclusive forum for any such disputes.

15.7 Receiver's Right to Determine Conduct of Auction. The Receiver reserves the right to deny any person admittance to the Auction, to postpone or cancel the Auction, to withdraw the Purchased Assets from the Auction, and to change any terms or procedures of the Auction or the particular conditions of sale, as necessary, upon notice to Buyer, and any Qualified Bidders, prior to or at the Auction, without further Court order.

15.8 No Contingencies for Qualified Bidder. The sale to any Qualified Bidder of the Purchased Assets shall *not* be contingent upon the validity, effectiveness, and or binding nature of the Qualified Bidder's offer; *provided, however*, that contingencies for financing may be permitted.

15.9 No Conditions Precedent for Qualified Bidder. The sale to any Qualified Bidder of the Purchased Assets shall not be subject to any conditions precedent to the Qualified Bidder's obligation to timely consummate the sale transaction, and to pay the remainder of the purchase price.

15.10 Auction Confirmation Order. The only authorized condition subsequent to the Auction for the Qualified Bidder is entry of a Court order confirming the sale to the Qualified Bidder (the "**Auction Confirmation Order**").

15.11 Conditions to Consummation of Sale Transaction Prior to and Following Auction. The closing of any sale to a Qualified Bidder shall be subject to the following conditions: (i) Receiver's review and acceptance of the highest bid received from a Qualified Bidder, (ii) entry of the Auction Confirmation Order, (iii) receipt of full payment on or before the date which is three (3) business days after the date upon which the Court enters the Auction Confirmation Order such that the Purchased Assets transfer can occur promptly thereafter, and (iv) prior to Auction, waiver and release of all claims against the Receiver. If any of these foregoing conditions are not satisfied, (a) the sale to the Qualified Bidder shall not be consummated, and (b) any obligations of the Receiver shall also be terminated, including any obligations under the Qualified Bid PSA.

15.12 Transfer of Title to Purchased Assets Following Auction. Following the Auction, title to the Purchased Assets shall be transferred by Grant Deed, and/or Bill of Sale, as applicable, "*AS-IS", WITHOUT REPRESENTATIONS AND WARRANTIES*, to the High Bidder.

15.13 Court Approval if No Qualified Bids are Received. In the event no Qualified Bids are provided to the Receiver, the Receiver will notify the Court that no Auction will take place and ask the Court to approve the sale to Buyer pursuant to this Agreement.

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

SELLER:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag, solely in capacity as
Title: Court-Appointed Receiver

BUYER:

DocuSigned by:
Cara Recine 12/14/2020
7E1E585CB6A5499...
CARA RECINE, an individual

DocuSigned by:
Tony Sanchez 12/15/2020
6E1ECB18BE9745D...
ANTHONY SANCHEZ, an individual

ESCROW HOLDER SIGNATURE PAGE

The undersigned Escrow Holder hereby agrees to: (i) accept the foregoing Agreement; (ii) be Escrow Holder under said Agreement; and (iii) be bound by said Agreement in the performance of its duties as Escrow Holder, and hereby establishes _____, 2020 as the date of opening of escrow and designates _____ as the escrow number assigned to this escrow.

Dated: _____

CORINTHIAN TITLE

By _____
Authorized Representative

SELLER'S BROKER SIGNATURE PAGE

The undersigned Seller's Broker hereby executes this Seller's Broker Signature Page solely to confirm the following: (a) Seller's Broker represents only the Seller in the transaction described in the Agreement to which this signature page is attached, (b) Seller's Broker acknowledges that the only compensation due to Seller's Broker in connection with the Closing of the transaction described in the Agreement to which this signature page is attached is as set forth in a separate agreement between Seller and Seller's Broker, and (c) Seller's Broker represents and warrants to Seller that Seller's Broker and its affiliates has not and will not receive any compensation (cash or otherwise) from or on behalf of Buyer or any affiliate thereof in connection with the transaction, and do not, and will not at the Closing, have any direct or indirect legal, beneficial, economic or voting interest in Buyer (or in an assignee of Buyer, which pursuant to Section 14.4 of the Agreement, acquires the Property at the Closing) nor has Buyer granted (as of the Effective Date or the Closing Date) the Seller's Broker or any of its affiliates any right or option to acquire any direct or indirect legal, beneficial, economic or voting interest in Buyer.

SELLER'S BROKER:

KEEGAN & COPPIN COMPANY, INC.

By: _____
Sara Wann

BUYER'S BROKER SIGNATURE PAGE

The undersigned Buyer's Broker hereby executes this Buyer's Broker Signature Page solely to confirm the following: (a) Buyer's Broker represents only the Buyer in the transaction described in the Agreement to which this signature page is attached; and (b) Buyer's Broker acknowledges that the only compensation due to Buyer's Broker in his capacity as broker in connection with the Closing of the transaction described in the Agreement to which this signature page is attached is as set forth in a separate agreement between Seller's Broker and Buyer's Broker.

BUYER'S BROKER:

BIALKIN REALTY

By: DocuSigned by: 55D25617B598420... 12/14/2020
Robert Bialkin

By: DocuSigned by: Cara Recine 7E1E585CB6AB499... 12/14/2020
Cara Recine

Exhibit List

Exhibit "A"	Legal Description of the Land
Exhibit "B"	Tangible Assets
Exhibit "C	Contracts
Exhibit "D"	Bill of Sale
Exhibit "E"	General Assignment
Exhibit "F"	Grant Deed
Exhibit "G"	Assignment of Membership Agreements

Exhibit A

Legal Description

All that certain real property situated in the County of Sonoma, State of California, described as follows:

PARCEL 1, AS SHOWN ON THE PARCEL MAP NO. 408, IN THE CITY OF PETALUMA, COUNTY OF SONOMA, STATE OF CALIFORNIA, FILED AUGUST 30, 2019, IN BOOK 807 OF MAPS, AT PAGE 26, SONOMA COUNTY RECORDS.

A portion of APN: 006-363-024-000

Exhibit B

Tangible Assets

Product Type	Location	Product Description	Manufacturer	Unit Cost	Taxes	Qty.	Total Cost
Accessories	Social Coworking	Dean 3 Power / 2 USB Box, 120" Cord,	Byrne	$163.37	$ 13.48	4	$ 707.38
Accessories	Large Conference	Dean 3 Power / 2 USB Box, 72" Cord,	Byrne	$160.25	$ 13.22	1	$ 173.47
Accessories	Large Conference	Pepper, Round, 72" Cord, Black	Byrne	$23.23	$ 1.92	10	$ 251.49
Accessories	Varies	3" Flip Top Grommet Set XG3-95, White	Mockett	$4.80	$ 0.40	23	$ 119.51
Accessories	Varies	Signum Cable Management	IKEA	$15.59	$ 1.29	24	$ 404.98
Accessories	Varies	Tripp Lite 8 Outlet Power Strip	Newegg Business	$46.79	$ 3.86	18	$ 911.66
Accessories	Varies	Shephard Hardware Phenolic Adjustable	Hardware and	$4.68	$ 0.39	26	$ 131.72
Accessories	Varies	60" Marker Tray Ledge	Amazon.com	$43.19	$ 3.56	3	$ 140.25
Accessories	Varies	3" Rubber Caster with Brake	Caster	$4.91	$ 0.40	3	$ 15.94
Accessories	Varies	3" Rubber Caster without Brake	Caster	$4.07	$ 0.34	3	$ 13.21
Accessories	Private Office	Signum Cable Management	IKEA	$15.59	$ 1.29	3	$ 50.62
Accessories	Private Office	Shephard Hardware Phenolic Adjustable	Hardware and	$5.15	$ 0.42	3	$ 16.72
Accessories	Private Office	3" Flip Top Grommet Set XG3-95, White	Mockett	$5.28	$ 0.44	3	$ 17.15
Accessories	Private Office	Tripp Lite 8-Outlet Vertical Power Strip	Home Depot	$45.49	$ 3.75	2	$ 98.49
Accessories	Varies	Duck Duck Square Pillow 20 x 20	Hem	$106.92	$ 8.82	2	$ 231.48
Accessories	Varies	Duck Duck Lumbar Pillow 19 x 13	Hem	$85.32	$ 7.04	1	$ 92.36
Accessories	Varies	GAN Silai Pillow 24 x 14	Hem	$265.20	$ 21.88	1	$ 287.08
Accessories	Varies	Kenno Pillow 23 x 16	Hem	$47.04	$ 3.88	1	$ 50.92
Accessories	Varies	Storm Pillow in Yellow 23 x 16	Hem	$95.04	$ 7.84	2	$ 205.76
Accessories	Varies	Storm Pillow in Blue 23 x 16	Hem	$95.04	$ 7.84	1	$ 102.88
Accessories	Varies	Siksak Cushion Medium 20 x 20	Hem	$47.04	$ 3.88	1	$ 50.92
Accessories	Varies	Melange Pillow 23 x 16	Hem	$85.44	$ 7.05	1	$ 92.49
Accessories	Varies	Horne Field Day Pillow in Dusk 20 x 20	Hem	$118.80	$ 9.80	1	$ 128.60
Accessories	Varies	Cork Pomme	Hem	$42.24	$ 3.48	3	$ 137.17
Accessories	Varies	Pata Pillow 18 x 12	CB2	$40.75	$ 3.36	1	$ 44.11
Accessories	Varies	Jersey Dark Grey InterKnit Pillow 20 x 20	CB2	$81.55	$ 6.73	1	$ 88.28
Accessories	Varies	Strella Bowl	CB2	$50.99	$ 4.21	1	$ 55.20
Accessories	Varies	Maru White Vase	CB2	$9.13	$ 0.75	1	$ 9.88
Accessories	Varies	Cooper Black - Brass Objects Set of 2	CB2	$30.55	$ 2.52	1	$ 33.07
Accessories	Varies	Hash Black and White Vase	CB2	$20.35	$ 1.68	1	$ 22.03
Accessories	Varies	Raya Cream Bottle Vase	CB2	$50.95	$ 4.20	1	$ 55.15
Accessories	Varies	Forsythia Flower Stem	CB2	$9.55	$ 0.79	3	$ 31.02
Accessories	Varies	Faux Chestnut Branch	CB2	$25.45	$ 2.10	2	$ 55.10
Accessories	Varies	Moss Coated Birch Branches	CB2	$20.35	$ 1.68	2	$ 44.06
Accessories	Varies	Briar Cut Suede Pillow 20 x 20	West Elm	$143.04	$ 11.80	2	$ 309.68
Accessories	Varies	Springside Pot	West Elm	$30.55	$ 2.52	1	$ 33.07
Accessories	Varies	Navy Blue Knot	West Elm	$117.59	$ 9.70	1	$ 127.29
Accessories	Varies	Terrace Tabletop Planter	West Elm	$178.80	$ 14.75	1	$ 193.55
Accessories	Varies	Ridged Pot	West Elm	$16.32	$ 1.35	1	$ 17.67
Accessories	Varies	Sundrift Vase	West Elm	$36.72	$ 3.03	1	$ 39.75
Accessories	Varies	Marbled Cement Pot	West Elm	$18.36	$ 1.51	1	$ 19.87
Accessories	Varies	Marble Wood Geometric Object, Small	West Elm	$37.44	$ 3.09	1	$ 40.53
Accessories	Varies	Marble Wood Geometric Object, Medium	West Elm	$47.04	$ 3.88	1	$ 50.92
Accessories	Varies	Brass Geo Decorative Screen	West Elm	$151.98	$ 12.54	1	$ 164.52
Accessories	Varies	Medium Rose Gold Knot	West Elm	$27.84	$ 2.30	1	$ 30.14
Accessories	Varies	Ice Blue Knot	West Elm	$56.64	$ 4.67	1	$ 61.31
Accessories	Varies	Brass Bicycle Object	West Elm	$37.44	$ 3.09	1	$ 40.53
Accessories	Varies	Safety Pin Object	West Elm	$23.04	$ 1.90	1	$ 24.94
Accessories	Varies	Rough Cut Stone Bookends	West Elm	$37.44	$ 3.09	1	$ 40.53
Accessories	Varies	Totem Vases	West Elm	$234.00	$ 19.31	1	$ 253.31
Accessories	Varies	Archer Floor Lamp	West Elm	$1,320.00	$ 108.90	2	$ 2,857.80
Accessories	Varies	Sphere + Stem Table Lamp	West Elm	$152.64	$ 12.59	1	$ 165.23
Accessories	Varies	Mixed Material Table Lamp	West Elm	$95.04	$ 7.84	2	$ 205.76
Accessories	Varies	Boardwalk in Grey	FLOR	$23.04	$ 1.90	18	$ 448.93
Accessories	Varies	Artificial Succulent Arrangement #1	The Conservatory	$720.00	$ 59.40	1	$ 779.40
Accessories	Varies	Artificial Succulent Arrangement #2	The Conservatory	$720.00	$ 59.40	1	$ 779.40
Accessories	Dedicated Desking	Magnet Boards	diamondLife	$219.14	$ 18.08	8	$ 1,897.74
Accessories	Dedicated Desking	Felt Wallcovering	Designtex	$45.60	$ 3.76	20	$ 987.24
Art Installation	Dedicated Desking	Recycled Paint Can Art	Jonny Hirschmugl	$2,448.00	$ 201.96	1	$ 2,649.96

Creative Expression A	Hallway	Sparco Flat Clip Rubber Grip Hardboard Clipboard	Officesupply.com	$1.12	$ 0.09	32	$ 38.66
Creative Expression B	Hallway	Frames	Frames by Mail	$824.75	$ 68.04	1	$ 892.79
Creative Expression C	Lounge F	Kraft Paper Roller	Etsy / George and Willy	$303.05	$ 25.00	1	$ 328.05
Creative Expression C	Lounge F	36" Kraft Paper Roll	ULINE	$51.60	$ 4.26	1	$ 55.86
Furniture	Mail Storage	Mail Storage Shelving	ULINE	$418.80	$ 34.55	1	$ 453.35
Furniture	Reception	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	1	$ 285.78
Furniture	Management Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	1	$ 285.78
Furniture	Small Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	6	$ 1,714.68
Furniture	Combined Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	4	$ 1,143.12
Furniture	Medium Office	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	3	$ 857.34
Furniture	Audio Editing	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	3	$ 857.34
Furniture	Video & Photo	Lumin Chair w/ Fixed Arms	RDI / SitOnIt	$200.40	$ 16.53	8	$ 1,735.46
Furniture	Small Conference	Rio Light Task Chair w/ Fixed Arms	RDI / SitOnIt	$270.00	$ 22.28	8	$ 2,338.20
Furniture	Large Conference	Rio Light Task Chair w/ Fixed Arms	RDI / SitOnIt	$270.00	$ 22.28	12	$ 3,507.30
Furniture	Dedicated Desking	Wit Task Chair w/ Adjustable Arms	RDI / SitOnIt	$264.00	$ 21.78	8	$ 2,286.24
Furniture	Social Coworking	Lumin Chair w/ Fixed Arms	RDI / SitOnIt	$200.40	$ 16.53	12	$ 2,603.20
Furniture	Video & Photo	Everywhere Flip Top Tables	CRI / Herman	$827.61	$ 68.28	6	$ 5,375.33
Furniture	Social Coworking	Everywhere Round Table	CRI / Herman	$639.78	$ 52.78	1	$ 692.56
Furniture	Combined Office	Office Partition	Sons of Salvage	$2,500.00	$ 99.00	1	$ 2,500.00
Furniture	Video & Photo	Photo Studio Table	Sons of Salvage	$1,200.00	$ 138.60	4	$ 4,800.00
Furniture	Large Conference	Conference Table	Sons of Salvage	$2,800.00	$ 297.00	1	$ 2,800.00
Furniture	Dedicated Desking	Lockable Dedicated Desking	Sons of Salvage	$1,000.00	$ 99.00	8	$ 8,000.00
Furniture	Dedicated Desking	Dedicated Desking Partitions	Sons of Salvage	$600.00	$ 247.50	11	$ 6,600.00
Furniture	Social Coworking	Large Communal Table	Sons of Salvage	$5,350.00	$ 495.00	1	$ 5,350.00
Furniture	Social Coworking	Mobile Whiteboard	Sons of Salvage	$1,000.00	$ 123.75	1	$ 1,000.00
Furniture	Working Lounge F	Mobile Whiteboard	Sons of Salvage	$1,000.00	$ 123.75	2	$ 2,000.00
Furniture	Management Office	Lilltrask Desktop	IKEA	$52.80	$ 4.36	1	$ 57.16
Furniture	Small Office	Linnmon Desktop	IKEA	$35.99	$ 2.97	6	$ 233.74
Furniture	Combined Office	Lilltrask Desktop	IKEA	$52.80	$ 4.36	2	$ 114.31
Furniture	Social Coworking	Lilltrask Desktop	IKEA	$52.80	$ 4.36	5	$ 285.78
Furniture	Reception	Nimbus Coffee Table	Industry West	$594.00	$ 49.01	1	$ 643.01
Furniture	Social Coworking	Abode Bar Stool	Industry West	$156.60	$ 12.92	9	$ 1,525.68
Furniture	Social Coworking	Public Chair	Industry West	$243.00	$ 20.05	5	$ 1,315.24
Furniture	Working Lounge B	Breeze Lounge Chair	Industry West	$675.00	$ 55.69	4	$ 2,922.75
Furniture	Community Kitchen	Abode Counter Stools	Industry West	$106.92	$ 8.82	8	$ 925.93
Furniture	Community Kitchen	Fletcher Lounge Chair	Industry West	$405.00	$ 33.41	5	$ 2,192.06
Furniture	Reception	Lucas Swivel Chair	West Elm	$767.04	$ 63.28	2	$ 1,660.64
Furniture	Working Lounge B	Faceted Coffee Table	West Elm	$575.04	$ 47.44	1	$ 622.48
Furniture	Working Lounge D	Streamline Coffee Table	West Elm	$575.04	$ 47.44	1	$ 622.48
Furniture	Working Lounge F	Reclaimed Media Console	West Elm	$1,343.04	$ 110.80	1	$ 1,453.84
Furniture	Working Lounge F	Plank Side Table	West Elm	$959.04	$ 79.12	1	$ 1,038.16
Furniture	Community Kitchen	Eric Coffee Table	West Elm	$479.04	$ 39.52	1	$ 518.56
Furniture	Reception	Modern Reception Desk	West Elm	$1,720.52	$ 141.94	1	$ 1,862.47
Furniture	Reception	Puff Puff Lounge Chair	Bludot	$970.92	$ 80.10	2	$ 2,102.04
Furniture	Working Lounge C	Mono Sofa	Bludot	$1,618.92	$ 133.56	1	$ 1,752.48
Furniture	Working Lounge C	Swole Coffee Table	Bludot	$592.92	$ 48.92	1	$ 641.84
Furniture	Working Lounge E	Cat Lounge Chair	Bludot	$538.92	$ 44.46	6	$ 3,500.29
Furniture	Working Lounge F	Bonnie and Clyde Sectional	Bludot	$3,777.84	$ 311.67	2	$ 8,179.02
Furniture	Working Lounge A	Lenox Sofa	Joybird	$1,286.40	$ 106.13	1	$ 1,392.53
Furniture	Working Lounge A	Elk Lounge Chair	2Mordern / Gus	$1,350.00	$ 111.38	2	$ 2,922.75
Furniture	Working Lounge C	Forma Lounge Chair	Article	$796.86	$ 65.74	1	$ 862.60
Furniture	Working Lounge D	Triplo Sofa	Article	$1,138.86	$ 93.96	1	$ 1,232.82
Furniture	Management Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	1	$ 274.93
Furniture	Small Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	6	$ 1,649.60
Furniture	Combined Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	4	$ 1,099.73
Furniture	Medium Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	3	$ 824.80
Furniture	Dedicated Desking	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	8	$ 2,199.47
Furniture	Working Lounge D	Blue Pitch Club Chair	Poppin	$712.98	$ 58.82	1	$ 771.80
Furniture	Small Conference	Big Sur Conference Table	Crate & Barrel	$1,834.98	$ 151.39	1	$ 1,986.37
Furniture	Large Conference	Congo Media Console	CB2	$1,018.98	$ 84.07	1	$ 1,103.05
Furniture	Community Kitchen	Palate Counter Table	CB2	$508.98	$ 41.99	2	$ 1,101.94

Furniture	Management Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$120.00	$ 9.90	1.5	$ 194.85
Furniture	Small Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$126.00	$ 10.40	6	$ 818.37
Furniture	Combined Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$120.00	$ 9.90	3	$ 389.70
Furniture	Social Coworking	Standing Height U-Leg (Set of 2)	26Six Custom	$144.00	$ 11.88	7	$ 1,091.16
Furniture	Video & Photo	Drifted Stool	Hem	$162.24	$ 13.38	12	$ 2,107.50
Furniture	Working Lounge A	All Wood Stool	Hem	$229.44	$ 18.93	1	$ 248.37
Furniture	Working Lounge C	All Wood Stool	Hem	$229.44	$ 18.93	1	$ 248.37
Furniture	Working Lounge D	All Wood Stool	Hem	$229.44	$ 18.93	2	$ 496.74
Furniture	Working Lounge E	All Wood Stool	Hem	$229.44	$ 18.93	6	$ 1,490.21
Furniture	Community Kitchen	All Wood Stool	Hem	$229.44	$ 18.93	5	$ 1,241.84
Furniture	Working Lounge A	Hudson Coffee Table	Four Hands	$1,296.00	$ 106.92	1	$ 1,402.92
Furniture	Working Lounge F	Dagostino Coffee Table	AllModern	$312.00	$ 25.74	2	$ 675.48
Furniture	Working Lounge F	Webb Pouf	Structube	$94.80	$ 7.82	5	$ 513.11
Furniture	Reception	Area Side Table	Horne / Cane	$329.40	$ 27.18	1	$ 356.58
Furniture	Working Lounge F	Carpet Tile - Tuxedo Pocket	AML / FLOR	$19.20	$ 1.58	28	$ 581.95
Furniture	Community Kitchen	Area Rug - Porter Collection	Loloi	$1,218.00	$ 100.49	1	$ 1,318.49
Furniture	Lockers	Double Tier Metal Lockers (Set of 3)	School Lockers	$488.94	$ 40.34	5	$ 2,646.39
Furniture	Lockers	Double Tier Metal Lockers	School Lockers	$182.75	$ 15.08	2	$ 395.65
Furniture	Phone Booth	Standard Framery O Phone Booth	MG West /	$8,070.00	$ 665.78	3	$ 26,207.33
Furniture	Phone Booth	Adjustable Stool	MG West /	$774.00	$ 63.86	3	$ 2,513.57
Furniture	Video & Photo	Curtains, Track Hardware, and Installation	Standard Textile	$8,295.53	$ 684.38	5	$ 8,979.91
Furniture	Private Office	Linnmon Desktop	IKEA	$35.99	$ 2.97	3	$ 116.87
Furniture	Private Office	Stow Lockable File Cabinet	Poppin	$253.98	$ 20.95	3	$ 824.80
Furniture	Private Office	Sitting Height U-Legs (Set of 2)	26Six Custom	$180.00	$ 14.85	3	$ 584.55
Green Wall	Reception	Pipe Planters	Jonny	$960.00	$ 79.20	1	$ 1,039.20
Green Wall	Reception	Artificial Plants - Crinkle Leaf Succulent	Dirt Couture	$10.80	$ 0.89	3	$ 35.07
Green Wall	Reception	Artificial Plants - Faux Air Plant	Dirt Couture	$8.40	$ 0.69	5	$ 45.47
Green Wall	Reception	Artificial Plants - Air Plant Orbs	Dirt Couture	$8.40	$ 0.69	3	$ 27.28
Green Wall	Reception	Artificial Plants - Crassula Worm	Dirt Couture	$8.40	$ 0.69	4	$ 36.37
Green Wall	Reception	Artificial Plants - Purple Air Plant	Dirt Couture	$10.80	$ 0.89	3	$ 35.07
Print Station	Dedicated Desking	Ekbaken Countertop	IKEA	$118.80	$ 9.80	2	$ 257.20
Print Station	Dedicated Desking	30" Sektion Base Cabinet - 2 Door	IKEA	$387.60	$ 31.98	2	$ 839.15
Print Station	Dedicated Desking	24" Sektion Base Cabinet - 1 Door	IKEA	$369.60	$ 30.49	1	$ 400.09
Print Station	Dedicated Desking	Sektion Leg (Set of 2)	IKEA	$7.20	$ 0.59	2	$ 15.59
Print Station	Dedicated Desking	Sektion Suspension Rail	IKEA	$15.60	$ 1.29	1	$ 16.89
Print Station	Dedicated Desking	Voxtorp Toekick	IKEA	$22.80	$ 1.88	2	$ 49.36
Print Station	Dedicated Desking	Variera Recycling Bin	IKEA	$16.79	$ 1.39	2	$ 36.35
Print Station	Hallway	Pinnarp Countertop	IKEA	$178.80	$ 14.75	2	$ 387.10
Print Station	Hallway	36" Sektion Base Cabinet - 2 Door	IKEA	$435.60	$ 35.94	1	$ 471.54
Print Station	Hallway	24" Sektion Base Cabinet - 1 Door	IKEA	$369.60	$ 30.49	1	$ 400.09
Print Station	Hallway	47" Sektion Corner Base Cabinet	IKEA	$300.00	$ 24.75	1	$ 324.75
Print Station	Hallway	Sektion Leg (Set of 2)	IKEA	$7.20	$ 0.59	3	$ 23.38
Print Station	Hallway	Sektion Suspension Rail	IKEA	$15.60	$ 1.29	3	$ 50.66
Print Station	Hallway	Voxtorp Toekick	IKEA	$22.80	$ 1.88	2	$ 49.36
Print Station	Hallway	Variera Recycling Bin	IKEA	$16.79	$ 1.39	2	$ 36.35
Retail Display	Reception	Tutemo Open Cabinets - Rectangular	IKEA	$35.99	$ 2.97	5	$ 194.79
Retail Display	Reception	Tutemo Open Cabinets - Square	IKEA	$41.99	$ 3.46	3	$ 136.36
Retail Display	Reception	Modern Media Console	West Elm	$1,439.04	$ 118.72	1	$ 1,557.76
Retail Display	Reception	Locking Hardware - Cam Lock 4-Pack	Dyersonline.com	$23.99	$ 1.98	1	$ 25.97
Retail Display	Reception	Scrabble Letters	Sons of Salvage	$12.00	$ 0.99	200	$ 2,598.00
Retail Display	Reception	88" Sliding Ledges	Sons of Salvage	$180.00	$ 14.85	2	$ 389.70
Retail Display	Reception	36" Sliding Ledges	Sons of Salvage	$120.00	$ 9.90	9	$ 1,169.10
Storage	Video &	Mobile Welded Steel Table	ULINE	$564.00	$ 46.53	1	$ 610.53
Storage	Social Coworking	Flat Files	BizChair.com	$575.99	$ 47.52	2	$ 1,247.01
Storage	Social Coworking	Base for Flat Files	BizChair.com	$67.19	$ 5.54	1	$ 72.73
			SUB TOTAL:	**$86,046.23**	**$ 7447.82**		**$ 195205.59**
Purchases OTHER THAN Urban Chalet							
IT Hardware	Reception	Chromebase	ANI			1	$0.00
IT Hardware	Front Office	Chromebase	ANI			1	$0.00
IT Hardware	Front Office	MacBook	ANI			1	$0.00
IT Hardware	Entrance	iPad	ANI			1	$0.00

IT Hardware	Various	Google speakers	ANI			4	$0.00
IT Hardware	Front Office	Phone - desk phone	ANI			1	$0.00
IT Hardware	Reception	Phone - desk phone	ANI			1	$0.00
IT Hardware	Conference Rms	Phone - desk phone	ANI			2	$0.00
IT Hardware	Conference Rms, Lou	Television	ANI			3	$0.00
IT Hardware	Doors	KISI reader	ANI			2	$0.00
IT Hardware	Hall	Shredder	ANI			1	$0.00
Appliance	Community Kitchen	Coffee maker, BUNN 33200.0010 VPR AP	ANI	$285.20		1	$285.20
Appliance	Community Kitchen	Turbo Air Open Vertical Display Case (Gn	ANI			1	$0.00
Appliance	Community Kitchen	Dishwasher	ANI			1	$0.00
Appliance	Community Kitchen	Microwave	ANI			1	$0.00
Appliance	Community Kitchen	Refrigerator	ANI			1	$0.00
Appliance	Community Kitchen	Kegerator	A. Lewis			1	$0.00
Art Installation	Lounge	Art installation - mural panels Alex Cole		$6,700.00		1	$6,700.00
Furniture	Dedicated Desking	LED monitors for Dedicated Desks/staging	Staples	$192.99		4	$771.96
Furniture	Lounge	Chairs, Stacked - Black plastic/metal, on dolly		$1,789.88		1	$1,789.88
Furniture	Various	Fans, dyson - Jet Focus AM09	Amazon	$428.00		2	$856.00
Furniture	Various	Fans, Vornado - 630 Mid-Size Air Circulat	Amazon	$59.99		2	$119.98
Furniture	Basement Storage	Handtruck- Harper Trucks Lightweight 400	Amazon	$54.99		1	$54.99
Furniture	Reception	Ladder extension	Amazon	$296.79		1	$296.79
Furniture	Dedicated Desking	Desk Lamp - TaoTronics LED Desk Lamp	Amazon	$29.99		8	$239.92
Furniture	Janitorial Closet	Shelving unit (like Metro rack)	Amazon	$109.99		1	$109.99
Furniture	Basement Storage	Shelving unit (like Metro rack)		$109.99		1	$109.99
Furniture	Main Area	Marketplace signs, metal	Maselli + Sons	$75.00		8	$600.00
Photo Equip	Basement Storage	Light carrying bags		$8.95		3	$26.85
Photo Equip	Basement Storage	Light stand sandbags		$49.95		2	$99.90
Photo Equip	Basement Storage	All 3 Stands	B+H Photo	$239.90		1	$239.90
Photo Equip	Basement Storage	Photo Equip - Paul C Buff 3 Light Kit with	B+H Photo	$499.95		3	$1,499.85
Photo Equip	Basement Storage	Photo Equip - Seamless stand (3 parts)	Amazon	$104.95		1	$104.95
Photo Equip	Basement Storage	Modifiers / diffusers / umbrellas (8)	B+H Photo	$99.95		1	$99.95
Photo Equip	Lounge	Photo Equip -All Modifiers/Diffusers	B+H Photo	$570.50		1	$570.50
Photo Equip	Basement Storage	Photo Equip -Camera Mic	B+H Photo	$299.00		1	$299.00
Photo Equip	Basement Storage	Photo Equip -Canon 6D Mark ii camera wi	B+H Photo	$1,899.00		1	$1,899.00
Photo Equip	Basement Storage	Photo Equip -Extra Battery	B+H Photo	$209.00		1	$209.00
Photo Equip	Basement Storage	Photo Equip -Manfrotto Tripod with Ball H	B+H Photo	$399.88		1	$399.88
Photo Equip	Basement Storage	Manfrotto 496RC2 Ball Head accessory	B+H Photo	$86.50		1	$86.50
Photo Equip	Basement Storage	Photo Equip -Sigma 50mm lens (in case)	B+H Photo	$949.00		1	$949.00
Photo Equip	Basement Storage	Photo Equip -Sigma 85mm lens (in case)	B+H Photo	$1,199.00		1	$1,199.00
Photo Equip	Basement Storage	Sigma USB dock for lenses	B+H Photo	$59.00		1	$59.00
Photo Equip	Basement Storage	Sigma 77 mm filter	B+H Photo	$46.00		1	$46.00
Photo Equip	Basement Storage	Photo Equip -Camera Storage Bag	B+H Photo	$59.99		1	$59.99
Photo Equip	Basement Storage	Photo Equip -Transmitter pkg for flash (4 i	B+H Photo	$149.80		1	$149.80
Photo Equip	Lounge	Seamless paper, white	Savage	$52.99		1	$52.99
Photo Equip	Lounge	Seamless paper, colors (sep purchase)	B+H Photo	$52.99		2	$105.98
A/V	Basement Storage	Audio interface	B+H Photo	$249.99		1	$249.99
A/V	Lounge	Projector	Epson	$699.99		1	$699.99
A/V	Lounge	Projector screen, motorized		$682.00		1	$682.00
Furniture	Studio Room	Sound Panels - noise absorbtion, solid	ANI				$0.00
Furniture	Studio Room	ProDesk 60 Electric	Varidesk	$595.00		16	$9,520.00
Furniture	Studio Room	QuickPro Desk 48x24	Varidesk	$395.00		20	$7,900.00
Furniture	Studio Room	QuickPro RoundTop	Varidesk	$595.00		5	$2,975.00
Furniture	Studio Room	Conference Chair	Varidesk	$350.00		5	$1,750.00
Furniture	Studio Room	TheMat 36	Varidesk	$60.00		16	$960.00
Furniture	Studio Room	SlimCaddy	Varidesk	$250.00		36	$9,000.00
Furniture	Studio Room	PowerStrip w 15ft Cord	Varidesk	$35.00		36	$1,260.00
Furniture	Studio Room	Task Chair	Varidesk	$295.00		36	$10,620.00
Furniture	Studio Room	Varidesk QuickFlex walls (all inclusive)	Varidesk	$47,645.00		1	$47,645.00
	Studio Room	White noise machine (sound masking)	PCD Sound	$8,935.57		1	$8,935.57
			SUB TOTAL:	$77,956.66			$122,289.29
			TOTALS:	**$164,002.89**			**$317,494.88**

Exhibit C

Contracts

[list to be inserted]

Exhibit D

Form of Bill of Sale

BILL OF SALE

FOR VALUE RECEIVED, 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver, appointed by the United States District Court for the Southern District of California, hereby sells, conveys and assigns to CARA RECINE, an individual, and ANTHONY SANCHEZ, an individual (collectively, "**Buyer**"), all of Seller's right, title and interest in and to the following:

Those certain apparatus, equipment, computer equipment, software, furniture, appliances, food items, beverage items or other inventory or tangible items of personal property owned by Seller and located in the property as described on Schedule 1 attached hereto and incorporated herein by this reference (collectively, the "**Tangible Assets**").

From and after the date of this Bill of Sale, it is intended by the parties that Buyer and Buyer's successors and assigns shall have the right to use, have, hold and own the Tangible Assets forever. This Bill of Sale may be executed in counterparts, each of which shall be deemed an original, and all of which shall taken together be deemed one document. Seller and Buyer agree that the delivery of an executed copy of this Bill of Sale sent by facsimile or e-mail shall be legal and binding and shall have the same full force and effect as if an original executed copy of this Bill of Sale had been delivered.

Seller makes no warranties of any kind or nature whatsoever, express or implied, including without limitation any warranty of merchantability or fitness for a particular purpose, with respect to any of the Tangible Assets transferred hereby, any and all such warranties being hereby expressly disclaimed. Buyer hereby assumes all liabilities and obligations in connection with or arising under the matters assigned under this agreement to the extent arising after the date of execution set forth below.

TO HAVE AND TO HOLD unto the grantee and its successors and assigns forever.

[SIGNATURE APPEARS ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Seller and Buyer have executed this Bill of Sale as of the ___day of _____, 20__.

Seller:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag
Title: Court-Appointed Receiver

Buyer:

_____,
CARA RECINE, an individual

_____
ANTHONY SANCHEZ, an individual

Schedule 1

Tangible Assets

[to be attached]

Exhibit E

Form of General Assignment

GENERAL ASSIGNMENT AND ASSUMPTION

This General Assignment and Assumption (this "**Assignment**") is executed by 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver, appointed by the United States District Court for the Southern District of California, in favor of CARA RECINE, an individual, and ANTHONY SANCHEZ, an individual (collectively, "**Buyer**") as of _____, 2020 (the "**Effective Date**").

R E C I T A L S :

A. Seller conducts the business of owning and/or operating an office building containing approximately 9,415 rentable square feet which is rented as co-working space for subscription holders, located at 140 Keller Street, Petaluma, California, which is commonly known as "Keller Street CoWork" (the "**Business**").

B. Seller and Buyer have entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of _____ __, 20___ ("**Agreement**"), in which Seller has agreed to sell and Buyer has agreed to purchase the Business, the underlying Real Property and certain other Purchased Assets related thereto, as further described in the Agreement.

C. Pursuant to the Agreement, Seller has agreed to assign, without recourse or warranty on an "as is" basis, to Buyer all of Seller's right, title and interest, if any, in and to those certain rights and obligations set forth below.

D. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

A G R E E M E N T :

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **Assignment.** As of the Effective Date, Seller hereby assigns, sells and transfers all of Seller's right, title and interest (if any) in and to the following to Buyer, to the extent assignable by Seller, without recourse or warranty:

1.1 Any warranty or guaranty rights of Seller relating to the Real Property or the Tangible Assets and assignable by Seller (the "**Warranties**");

1.2 All of Seller's trademark and/or trade name rights, rights to the name "Keller Street CoWork," and all other names used, and all title and interest in and to any and all intellectual property which relate to the Business or the Purchased Assets each as they relate to the ownership, use or operation of the Business or the Purchased Assets with respect to the Real Property, to the extent owned by Seller and separately transferable for the Real Property; and any other intangible

personal property owned by Seller and/or used in or related to the ownership, use, operating or maintenance of the Real Property (the "**Intangible Assets**"); and

1.3 All permits, licenses, registrations, certificates, variances, consents, authorizations, governmental approvals and other entitlements necessary for the ownership, use, operation or maintenance of the Real Property or otherwise relating in any way to the Real Property (the "**Permits**").

2. **Assumption.** As of the Effective Date, Buyer expressly agrees to assume and hereby assumes all liabilities and obligations of the Seller in connection with the Warranties, the Intangible Assets and the Permits.

3. **Counterparts.** This Assignment may be executed in counterparts, each of which shall be deemed an original, and both of which together shall constitute one and the same instrument.

4. **Attorneys' Fees.** If any action or proceeding is commenced by either party to enforce its rights under this Assignment, the prevailing party in such action or proceeding shall be awarded all reasonable costs and expenses incurred in such action or proceeding, including reasonable attorneys' fees and costs (including the cost of in-house counsel and appeals), in addition to any other relief awarded by the court.

5. **Applicable Law.** This Assignment shall be governed by and interpreted in accordance with the laws of the State of California.

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

WITH RESPECT TO ALL MATTERS TRANSFERRED, WHETHER TANGIBLE OR INTANGIBLE, PERSONAL OR REAL, SELLER EXPRESSLY DISCLAIMS A WARRANTY OF MERCHANTABILITY AND WARRANTY FOR FITNESS FOR A PARTICULAR USE OR ANY OTHER WARRANTY EXPRESSED OR IMPLIED THAT MAY ARISE BY OPERATION OF LAW OR UNDER THE UNIFORM COMMERCIAL CODE FOR THE STATE IN WHICH THE PROPERTY IS LOCATED (OR ANY OTHER STATE).

[Remainder of Page Intentionally Left Blank]

WITNESS the signatures of the undersigned.

Dated: _____, 2020

Seller:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag
Title: Court-Appointed Receiver

Buyer:

_____,
CARA RECINE, an individual

_____
ANTHONY SANCHEZ, an individual

Exhibit F

Grant Deed

Recording Requested by,
When Recorded Return to and
Mail Tax Statements to:
_____
_____
_____

SPACE ABOVE THIS LINE FOR RECORDING USE

GRANT DEED

THE DOCUMENTARY TRANSFER TAX IS NOT FOR PUBLIC RECORD.

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Grantor**"), by and through Krista L. Freitag, Receiver, appointed by the United States District Court for the Southern District of California, hereby grants to CARA RECINE, an individual, and ANTHONY SANCHEZ, an individual **[INTEREST OF EACH PARTY TO BE CONFIRMED]**, that certain real property located in the County of Sonoma, State of California, more particularly described in Exhibit "A" attached hereto (the "**Land**"), together with all right, title and interest in and to all buildings and improvements now located or hereafter constructed on the Land, subject to the following:

1. nondelinquent general, special and supplemental real property taxes and assessments, and

2. all other covenants, agreements, conditions, restrictions, reservations, rights, rights-of-way, dedications, offers of dedication and easements of record.

[Signatures on following page]

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____ ____, 20__.

GRANTOR:

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Name: Krista L. Freitag
Title: Court-Appointed Receiver

EXHIBIT "A" TO GRANT DEED

LEGAL DESCRIPTION

[to be attached]

ACKNOWLEDGMENT

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, _____,
(insert name of notary)
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 G

Assignment of Membership Agreements

THIS ASSIGNMENT OF MEMBERSHIP AGREEMENTS ("**Assignment**") is made this ____ day of _____, 20___ ("**Assignment Date**") by and between 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Assignor**"), by and through Krista L. Freitag, solely in her capacity as Receiver, appointed by the United States District Court for the Southern District of California, and CARA RECINE, an individual, and ANTHONY SANCHEZ, an individual (collectively, the "**Assignee**").

W I T N E S S E T H:

A. Assignor and Assignee entered into that certain Agreement of Purchase and Sale and Joint Escrow Instructions, dated as of _____ ___, 20___ ("**Agreement**"), respecting the sale of the Property. Capitalized terms used herein and not separately defined have the meanings ascribed to them in the Agreement.

B. Under the Agreement, Assignor is obligated to assign to Assignee all of Assignor's right, title and interest in and to the Membership Agreements.

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

1. Effective as of the Assignment Date, Assignor hereby assigns, sells, transfers, sets over and delivers unto Assignee all of Assignor's estate, right, title and interest in and to the Membership Agreements and Assignee hereby accepts such assignment. Notwithstanding the foregoing or anything to the contrary contained herein, Assignor shall retain all rights, title and interest in and to all rentals and other amounts payable by members under the Membership Agreements, and other rights and claims against any parties, under the Membership Agreements for the period of time prior to the Assignment Date.

2. Assignor hereby covenants that Assignor will, at any time and from time to time upon written request therefor, execute and deliver to Assignee, Assignee's successors, nominees or assigns, at no cost or expense to Assignor, such documents as Assignee or they may reasonably request in order to fully assign and transfer to and vest in Assignee or Assignee's successors, nominees and assigns the Membership Agreements.

3. Assignee hereby assumes the performance of all of the terms, covenants and conditions imposed upon Assignor under the Membership Agreements accruing or arising on or after the Assignment Date.

4. In the event of any dispute between Assignor and Assignee arising out of the obligations of the parties under this Assignment or concerning the meaning or interpretation of any provision contained herein, the losing party shall pay the prevailing party's costs and expenses of such dispute, including, without limitation, reasonable attorneys' fees and costs. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor

under this Assignment shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Assignment and to survive and not be merged into any such judgment.

5. This Assignment may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

6. This Assignment shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legatees of all the respective parties hereto.

7. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

[*Signature Page Follows*]

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment as of the day and year first written above.

"Assignor" 132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Krista L. Freitag, solely in capacity as
Court-Appointed Receiver

"Assignee" _____
CARA RECINE, an individual

_____
ANTHONY SANCHEZ, an individual

DocuSign Envelope ID: D570411A-5A50-4D29-862E-1E5E010A24EE

CALIFORNIA ASSOCIATION OF REALTORS®

ADDENDUM

(C.A.R. Form ADM, Revised 12/15)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the: ☐ Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), ☒ Other *Commercial Property Purchase Agr. & Joint Escrow Instructions*,
dated *December 16, 2020*, on property known as *140 Keller St, Petaluma, CA 94952-2900*
in which *Cara Recine, Tony Sanchez* is referred to as ("Buyer/Tenant")
and *132 & 140 KELLER STREET, LLC* is referred to as ("Seller/Landlord").

Buyer lifts the document and physical condition inspection portion of their due diligence contingency. Purchase price to be reduced to $2,040,000. Buyer's due diligence date for loan and appraisal purposes is extended to 02/26/2021.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date 1/14/2021

Buyer/Tenant DocuSigned by: Cara Recine 7E1E585CB6AB499... Cara Recine

Buyer/Tenant Tony Sanchez 6E1ECB18BE9745D... Tony Sanchez

Date January 15, 2021

Seller/Landlord 132 & 140 KELLER STREET, LLC

Seller/Landlord solely in capacity as Receiver

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SECOND AMENDMENT
TO PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS

This SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("**Amendment**") is made as of the 7th day of April, 2021 (the "**Effective Date**"), by and between CARA RECINE, an individual, and ANTHONY SANCHEZ, an individual (collectively, "**Buyer**"), and 132 & 140 KELLER STREET, LLC, a California limited liability company ("**Seller**"), by and through Krista L. Freitag, solely in her capacity as Receiver ("**Receiver**") in the case entitled *Securities and Exchange Commission v. Gina Champion-Cain, ANI Development, LLC, and American National Investments, Inc.*, United States District Court for the Southern District of California (the "**Court**"), Case No. 3:19-CV-01628-LAB-AHG (the "**Receivership Action**"). Seller and Buyer are collectively referred to herein as the "**Parties**."

RECITALS:

A. Seller and Buyer entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of December 11, 2020 (the "**Original Agreement**"), as amended by that certain Addendum No. 1 executed by Buyer on January 14, 2021 and Seller on January 15, 2021 (the "**First Amendment**"). The Original Agreement, as modified by the First Amendment, is referred to herein as the "**Agreement**."

B. Pursuant to the terms and conditions of the Agreement, Seller conducted the Auction. At the conclusion of such Auction, Buyer was determined to be the Backup Bidder.

C. Buyer and Seller desire to amend the Agreement to increase the Purchase Price to reflect Buyer's bid at the Auction and to otherwise modify the Agreement as provided herein.

D. All capitalized terms not otherwise defined in this Amendment shall have the same meanings as set forth in the Agreement.

AGREEMENT:

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Purchase Price**. Notwithstanding anything to the contrary contained in the Agreement, the Purchase Price is hereby increased to Two Million Five Hundred Twenty-Five Thousand and No/100 Dollars ($2,525,000.00), which amount was provided by Buyer as Buyer's bid at the Auction.

2. **Backup Bidder**. Buyer hereby acknowledges and agrees that Buyer was the Backup Bidder at the Auction and therefore the provisions regarding the Backup Bidder set forth in the Agreement (including, without limitation, Section 15.4 of the Original Agreement) apply to the Parties' respective rights and obligations under the Agreement, as amended herein. In furtherance of the foregoing, Buyer acknowledges and agrees that Buyer is not entitled to purchase

the Property unless Buyer is deemed to be the High Bidder in accordance with the Agreement, in which event the Purchase Price for Buyer shall be the amount set forth in Section 1, above.

3. **First Amendment**. The Parties acknowledge and agree that the First Amendment refers to the Original Agreement as that certain "Commercial Property Purchase Agr. & Joint Escrow Instructions" with a date of December 16, 2020 but that such references are scrivener errors and the First Amendment should have instead made proper reference to the Original Agreement.

4. **Continuation of Agreement**. Except as expressly modified hereby, all other terms and provisions of the Agreement shall remain in full force and effect, are incorporated herein by this reference, and shall govern the conduct of the Parties hereto; provided, however, to the extent of any inconsistency between the provisions of the Agreement and the provisions of this Amendment, the provisions of this Amendment shall control. Effective as of the date hereof, all references in the Agreement to the "Agreement" will refer to the Agreement as amended by this Amendment.

5. **Miscellaneous**.

(a) **Successors and Assigns**. This Amendment shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legacies of all the respective parties hereto.

(b) **No Strict Construction**. Each of the Parties hereto acknowledges and agrees that this Amendment has been prepared jointly by the Parties hereto and their respective counsel and that this Amendment shall not be strictly construed against any Party by virtue of the person or entity who may have drafted the subject provision.

(c) **Governing Law**. This Amendment shall be governed by, interpreted under and construed and enforceable in accordance with, the laws of the State of California. The exclusive forum for resolving disputes arising from or related to the Agreement or closing of the sale shall be the Court in the Receivership Action.

(d) **Counterparts and Signatures**. This Amendment may be executed in counterparts, each of which shall be deemed an original, but such counterparts, when taken together, shall constitute one agreement. This Amendment may be executed by a Party's signature transmitted by facsimile ("**fax**") or email and copies of this Amendment executed and delivered by means of faxed or emailed signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. The Parties may rely upon faxed or emailed signatures as if such signatures were originals. Any Party executing and delivering this Amendment by fax or email shall promptly thereafter deliver a counterpart signature page of this Amendment containing said Party's original signature. The Parties agree that a faxed or emailed signature page may be introduced into evidence in any proceeding arising out of or related to this Amendment as if it was an original signature page.

(e) **Severability**. If any term, provision, covenant or condition of this Amendment is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the

remainder of the Amendment shall continue in full force and effect and shall in no way be affected, impaired, or invalidated.

[*Remainder of page intentionally left blank; signature page follows*]

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IN WITNESS WHEREOF, this Amendment has been executed as of the Effective Date.

BUYER

DocuSigned by:
Cara Recine
CARA RECINE, an individual

DocuSigned by:
Anthony Sanchez
ANTHONY SANCHEZ, an individual

SELLER

132 & 140 KELLER STREET, LLC,
a California limited liability company

By: _____
Krista L. Freitag, solely in capacity as
Court-Appointed Receiver

ESCROW HOLDER SIGNATURE PAGE

The undersigned Escrow Holder hereby agrees to: (i) accept the foregoing Amendment; (ii) be Escrow Holder under said Amendment; and (iii) be bound by said Amendment in the performance of its duties as Escrow Holder.

Dated: _____

CORINTHIAN TITLE COMPANY

By: _____
Authorized Representative