Exhibit A

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Joint Escrow Instructions (this "**Agreement**") is made as of the date of last signature (the "**Effective Date**"), between Mancini Properties, LLC, a California limited liability company ("**Seller**"), and the City of Santa Rosa, a California municipal corporation ("**Buyer**").

ARTICLE 1. AGREEMENT OF SALE.

Subject to and on the terms and conditions of this Agreement, Seller shall sell to Buyer and Buyer shall purchase from Seller all of the following (collectively, the "**Property**"):

1.1 Land. The real property which is more particularly described in Exhibit A (also known as Assessor's Parcel Number 044-260-073, together with (a) all right, title and interest of Seller in and to any privileges, rights, easements and appurtenances belonging to the real property, including without limitation all minerals, oil, gas and other hydrocarbon substances on and under the real property, if any, (b) all right, title and interest of Seller in and to any development rights, air rights, water, water rights and water stock relating to the real property, if any, and (c) all right, title and interest of Seller in and to any streets, alleys, passages, other easements and other rights-of-way or appurtenances included in, adjacent to or used in connection with such real property, before or after the vacation thereof, if any (collectively, the "**Land**");

1.2 Improvements. Any and all structures, systems, facilities, fixtures, fences and parking areas located on the Land and any and all machinery, equipment, apparatus and appliances used in connection with the operation or occupancy of the Land (such as heating and air conditioning systems and facilities used to provide utility services, refrigeration, ventilation, garbage disposal or other amenities on the Land) and other improvements located upon the Land, located at 2908 Santa Rosa Avenue, Santa Rosa, California, Sonoma County (collectively, the "**Improvements**").

The Land and the Improvements are sometimes collectively referred to in this Agreement as the "**Property**".

1.3 Intentionally Omitted.

1.4 Other Assets. To the extent owned by Seller, all tangible and intangible assets of any nature relating to the Property, including without limitation (a) all warranties upon the Improvements, to the full extent such warranties are assignable, (b) copies of all plans, specifications, engineering drawings and prints relating to the construction of the Improvements, (c) all license agreements, copyrights, logos, designs, trademarks, trade names, service marks and all goodwill associated with the Property, (d) all other intellectual or intangible property used by Seller in connection with the Property; and (e) all claims and causes of action arising out of or in connection with the Property.

ARTICLE 2. PURCHASE PRICE.

2.1 Amount. The purchase price (the "**Purchase Price**") for the Property shall be Four Million Five Hundred Thousand Dollars ($4,500,000).

2.2 Deposit/Purchase Price. Within 5 business days after the Effective Date, Buyer shall deposit Ninety-Six Thousand Dollars ($96,000) into Escrow (as defined below) (the "**Deposit**"). The deposit shall be refundable to Buyer unless Buyer waives all contingencies by the expiration of the Due Diligence Period. If the Closing of the transaction contemplated by this Agreement occurs, the Deposit shall be disbursed to Seller and applied to the Purchase Price at Closing. The failure of Buyer to make the Deposit within the time frame specified in this Section shall be material breach of this Agreement and Seller may terminate the Agreement. Buyer shall pay the Purchase Price to Seller through escrow at the Closing described in Section 10. On or before the Closing Date (as defined below), Buyer shall deposit into Escrow the Purchase Price, subject to adjustment by reason of any applicable prorations and the allocation of closing costs described below. The Deposit and Purchase Price shall be made by wire transfer of federal funds, cashiers check or in another immediately available form. Notwithstanding anything herein to the contrary, One Hundred Dollars ($100.00) of the Deposit (the "**Independent Consideration**") shall not be refundable to Buyer, but shall represent consideration for this Agreement and shall be paid to Seller. The Independent Consideration shall be paid to Seller within 5 business days of the Effective Date. The Independent Consideration shall serve as consideration for the granting of the time periods herein contained for Buyer to exercise Buyer's right to satisfy and approve all of Buyer's conditions herein contained. If the Deposit is refunded to Buyer for any reason pursuant to this Agreement, the Independent Consideration shall be subtracted from the Deposit pursuant to this Section.

ARTICLE 3. DUE DILIGENCE.

3.1 Due Diligence Period; Inspection and Access.

3.1.1 Due Diligence Period. The "**Due Diligence Period**" means the period beginning on the Effective Date and ending at 5:00 p.m. on the date which is sixty (60) days later.

3.1.2 Access to Information and the Property. Buyer shall conduct its investigation of the Property during the Due Diligence Period at no cost to Seller. This investigation ("**Due Diligence Investigation**") may include, at Buyer's option: a physical inspection of the Land and all Improvements thereon, including environmental (Phase I and/or Phase II), a vapor intrusion assessment (including sub-slab sampling) , soil, geological and other tests engineering evaluations of the mechanical, electrical, HVAC and other systems in the Improvements and review of the Plans; review of all governmental matters affecting the Property, including zoning, environmental and building permit and occupancy matters; review and verification of all financial and other information previously provided by Seller relating to the operation of the Property; review of the condition of title to the Property, including the building, structural system and roof inspection; and review of such other matters pertaining to an investment in the Property as Buyer deems advisable. Seller expressly understands and agrees that Buyer and Buyer's consultants shall have the right, during the Due Diligence Period and upon reasonable advance notice to Seller, to enter the Property to perform potentially invasive investigations; , including but not limited to drilling through slabs or foundations, coring, soil borings, sub-slab vapor sampling, installation of temporary testing equipment, and related environmental testing provided such activities are conducted as a result of the recommendations from Buyer's Phase I ESA and are done in a commercially reasonable manner. Buyer shall, at Buyer's sole cost and expense, repair and restore the Property to substantially the same condition existing prior to such testing, reasonable wear and tear excepted.

Buyer shall keep the Property free and clear of any mechanic's liens or materialmen's liens arising out of any of Buyer's activities on the Property or those of its agents and representatives, and shall remove any lien resulting therefrom within ten (10) days following written demand by Seller. Buyer shall indemnify, defend and hold Seller harmless from and against any and all loss, cost, damages, liability, liens or expense arising out of the entry onto the Property by Buyer or its consultants, except for: (i) the mere discovery of Hazardous Materials, (ii) the active negligence or willful misconduct of Seller, its employees, agents, or its affiliates or (iii) any pre-existing conditions unless exacerbated by Buyer, including without limitation all reasonable legal expenses incurred by Seller in connection therewith (excluding any consequential damages, lost profits, or punitive damages). The indemnity provided in this section shall survive the Close of Escrow and any termination of this Agreement. Prior to Buyer entering upon the Real Property, or any other person or entity entering upon the Property pursuant to Buyer's rights under this section, Buyer shall furnish Seller with a certificate of insurance evidencing that (i) Seller has been added as an additional insured under an insurance policy maintained by Buyer or such consultant, as applicable, (ii) Seller will be notified at least thirty (30) days prior to the cancellation of such policy, and (iii) all premiums due on the policy have been paid. Each such insurance policy shall be from an insurer reasonably acceptable to Seller and provide coverage against any claim for personal liability or property damage caused by Buyer or such consultant, as applicable, and its respective agents or representatives, with a combined single limit liability of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate. Buyer may satisfy the insurance requirements of this section through self-insurance (including, without limitation, coverage provided through a joint powers authority risk pool).

3.1.3 In addition to the Preliminary Documents delivered to Buyer pursuant to Section 3.2, Buyer and its representatives shall have the right of access during reasonable business hours to all files, books and records maintained by Seller or its agents (including, without limitation, all of the Additional Documents to be made available to Buyer pursuant to Section 3.3), wherever located, relating to the Property, including the right to copy the same. Buyer and its representatives shall also have the right of access to the Property during reasonable business hours to conduct its investigation of the physical condition of the Property as permitted under this Agreement upon one (1) business day's prior written notice to Seller (which may be by E-mail). Seller agrees that the rights granted to Buyer herein and the results of its Due Diligence Investigation shall not relieve Seller of any obligations Seller may have under any other provisions of this Agreement, or under other documents entered into concurrently herewith, or implied by law, nor shall they constitute a waiver by Buyer of the right to enforce any of the same. Seller shall cooperate with Buyer in its due diligence activities and provide access to the Property, its records, or provide information so long as it is within Seller's control.

3.2 Delivery of Preliminary Documents. Within 5 business days after the Effective Date, except as otherwise noted in Section 3.2.1 below, Seller shall deliver to Buyer, at Seller's expense, all of the documents described in the remaining subsections of this Section 3.2 (collectively, the "**Preliminary Documents**") only to the extent in Seller's possession or control. Buyer acknowledges and agrees that Seller shall have no obligation to prepare documents, studies, reports or other materials that do not exist and which are not in Seller's possession or control. The Preliminary Documents and any Additional Documents shall be delivered to Buyer without any representation or warranty as to the accuracy or completeness thereof. Buyer shall independently confirm the content of the Preliminary Documents and any Additional Documents and shall not rely on the same, or shall rely on the same at its sole risk and without liability to Seller. If Seller becomes aware, prior to Close of Escrow, that any Preliminary Document or Additional Document previously delivered contains a material error known to Seller, Seller shall promptly notify Buyer of such fact.

3.2.1 Title Report. Buyer has ordered or will order within five days of the Effective Date a preliminary title report or commitment for title insurance (the "**Preliminary Title Report**"), covering the Property and issued by First American Title Insurance Company (the "**Title Company**"), which shall include a legible copy of each document, map and survey referred to in the Preliminary Title Report.

3.2.2 Plans. Copies of all as-built plans and specifications for the Improvements, including without limitation the plans and specifications for all existing improvements to the Property and all rentable space therein, and as-built drawings for all underground utilities to the extent in the possession or control of Seller (collectively, the "**Plans**").

3.2.3 Soils Report. Any soils report on the Land prepared at Seller's request or in the possession or control of Seller, including (if available) a report on compliance with any soils work recommended to be done prior to construction of the Improvements.

3.2.4 Engineers' Reports. Any structural, mechanical, environmental or geological reports concerning the Property which have been prepared at Seller's request or which are within Seller's possession or control.

3.2.5 Operating Statements; Tax Bills. Copies of operating statements for the Property certified by Seller including an itemization of income and expenses and copies of all real property tax bills for the Property for such periods.

3.2.6 Licenses, Etc. Copies of any licenses, permits or certificates required by governmental authorities in connection with construction or occupancy of the Improvements, including, without limitation, building permits, certificates of completion, certificates of occupancy and environmental permits and licenses to the extent in the possession or control of Seller.

3.2.7 Inspection Reports. Copies of all written reports received by Seller within three (3) years prior to the Effective Date from Seller's insurance companies, any governmental agency or any other person or entity, which requires or demands correction of any condition, or requests modification in or termination of any uses of the Property, accompanied by Seller's summary of (a) any oral reports from such insurance companies or governmental agencies, and (b) the present status of any matter noted in any oral or written report, in each case to the extent in the possession or control of Seller.

3.3 Additional Documents and Information. From the Effective Date through the Closing Date, Seller shall make available to Buyer at the office of Seller's property manager or another location designated by Seller in accordance with Section 3.1, the documents and information described in this Section 3.3 (collectively, the "**Additional Documents**") to the extent in the possession or control of Seller:

3.3.1 Agreements. Copies of written agreements, contracts and other documents, whether existing or, to the knowledge of Seller, proposed as of the Effective Date, including without limitation any agreements relating to the service, operation, repair, supply, sale or leasing which (a) affect the Property, (b) are not disclosed by the Preliminary Title Report, (c) have not been delivered to Buyer pursuant to Section 3.2 and (d) which will continue in effect after the Close of Escrow.

3.3.2 Warranties/Roof Inspections/HVAC Inspections. Copies of any and all guarantees or warranties and other rights given to Seller in connection with the construction, maintenance, repair or remodeling of the Improvements and periodic inspections.

3.3.3 Requested Information. Such other documents and information concerning the Property as Buyer may reasonably request.

3.4 Approval/Disapproval of Due Diligence Investigations. Buyer shall approve or disapprove the results of Buyer's Due Diligence Investigation, in the exercise of Buyer's sole discretion, by written notice delivered to Seller no later than the expiration of the Due Diligence Period. Buyer's disapproval shall terminate this Agreement unless, at the time Buyer gives notice of its disapproval, Buyer also notifies Seller of Buyer's desire to enter into negotiations with Seller for the purpose of reaching an accommodation concerning the disapproval. If Buyer so notifies Seller and the parties have not reached a written agreement satisfactory to both of them regarding the disapproval, each in its sole and absolute discretion, within 10 days after the date of the disapproval notice, Buyer, at its option, may either (a) elect to terminate this Agreement by so notifying Seller and recover the Deposit, or (b) Buyer may elect to proceed with the transactions contemplated by this Agreement notwithstanding its earlier disapproval. If Buyer fails to deliver to Seller notice of its approval or disapproval of the results of its Due Diligence Investigation, Buyer shall be deemed to have disapproved such results. If Buyer elects to terminate the Agreement, Buyer shall return to Seller all of the Preliminary Documents and Additional Documents previously delivered by Seller to Buyer within 5 business days of such termination.

3.5 Title Review.

3.5.1 Monetary Liens. At its expense, Seller shall remove all liens on the Property at or prior to the Closing (collectively, "**Monetary Liens**"): (i) all delinquent taxes, bonds and assessments and interest and penalties thereon; and (ii) all other monetary liens, including without limitation all those shown on the Preliminary Title Report (including judgment and mechanics' liens, excluding, however, any liens resulting from the acts or omissions of Buyer or its consultants, whether or not liquidated, and mortgages and deeds of trust, with Seller being fully responsible for any fees or penalties incurred in connection therewith).

3.5.2 Approval/Disapproval of Title Review. Buyer shall approve or disapprove of the Preliminary Title Report and any exceptions to title shown thereon (other than the Monetary Liens) in the exercise of Buyer's sole discretion, by the expiration of the Due Diligence Period. If Buyer disapproves, Buyer may either (a) terminate this Agreement by giving Seller written notice of termination or (b) give Seller a written notice ("**Disapproval Notice**") identifying the disapproved title matters ("**Disapproved Title Matters**"). With respect to any Disapproved Title Matters, other than the Monetary Liens, Seller shall notify Buyer in writing within 5 days after Seller's receipt of the Disapproval Notice whether Seller will cause the Disapproved Title Matters to be removed or cured at or prior to Closing. If Seller does not agree in writing to remove the Disapproved Title Matters within such 5 day period, Seller shall be deemed to have elected not to remove the same. If Seller elects, or is deemed to have elected, not to remove or cure all Disapproved Title Matters, Buyer may, at its option: (i) subject to satisfaction of the other conditions to Closing, close the purchase of the Property and take title subject to the Disapproved Title Matters which Seller elects not to remove or cure; or (ii) terminate this Agreement in accordance with Section 10.6.1 by providing written notice of such termination within five (5) days following Seller's election or deemed election not to remove or cure the Disapproved Title Matters. Buyer's failure to deliver a written notice of termination within such 5- day period shall be deemed Buyer's election to proceed under clause (i), above.

3.5.3 Buyer's Options. If any Disapproved Title Matters (including the Monetary Liens) that Seller has expressly agreed to remove pursuant to Section 3.5.2, above, have not been removed at least 5 days prior to Closing or provision for their removal at the Closing has not been made to Buyer's satisfaction, Buyer may, at its option: (i) close the purchase of the Property and take title subject to the Disapproved Title Matters which have not been removed; (ii) close the purchase of the Property and cure or remove the Disapproved Title Matters which have not been removed. Buyer may credit the costs of such cure or removal against the Purchase Price by reducing the amount of cash payable by Buyer at the Closing, but only to the extent such costs are expended to remove (A) Monetary Liens referred to in Section 3.5.1 or (B) Disapproved Title Matters which Seller agreed to remove; or (iii) terminate this Agreement in accordance with Section 10.6.1.

3.5.4 Failure to Disapprove. If Buyer fails to notify Seller of its approval or disapproval of the Preliminary Title Report or the exceptions shown thereon by the end of the Due Diligence Period, then Buyer shall be deemed to have disapproved the same and this Agreement shall either terminate or proceed as provided in this Section 3.5, above.

ARTICLE 4. CONDITIONS PRECEDENT.

4.1 Buyer's Conditions. Buyer's obligations under this Agreement are expressly subject to the timely fulfillment of the conditions set forth in this Section 4.1 on or before the Closing Date, or such earlier date as is set forth below. Each condition may be waived in whole or in part by Buyer by written notice to Seller.

4.1.1 Due Diligence. Buyer having approved of the results of its Due Diligence Investigation pursuant to Section 3.4.

4.1.2 Title Review. Buyer having approved of the results of its review of title pursuant to Section 3.5.

4.1.3 Title Policy. The commitment of Title Company to deliver to Buyer an ALTA Owner's Policy or such lesser policy as may be determined adequate by Buyer in its sole discretion ("**Title Policy**") for the Property, with liability equal to the Purchase Price showing fee title to the Property vested in Buyer and subject only to: (i) the matters and exceptions which were approved by Buyer pursuant to Section 3.5; and (ii) the standard printed exceptions in the form of title policy called for (collectively, "**Conditions of Title**").

4.1.4 Performance of Covenants. Seller performing and complying in all material respects with all of the terms of this Agreement to be performed and complied with by Seller prior to or at the Closing.

4.1.5 Representations and Warranties. The representations and warranties of Seller set forth in Article 5 being true and accurate on the Closing Date, as if made on such date.

4.1.6 Non-Foreign Certification. Seller having executed and delivered to Buyer on or prior to the Closing Date a certification (the "**Non-Foreign Certification**"), substantially in the form of Exhibit B.

4.1.7 California Certification. Seller having furnished the residency certification required pursuant to Sections 18805 and 26131 of the California Revenue and Taxation Code ("**Form 593**") or having authorized Escrow Holder in writing to withhold from the Purchase Price the amounts required to be withheld by such Sections.

4.1.8 City Council Approval. The Santa Rosa City Council ("**Council**") shall have given its approval for the purchase of the Property, including the acceptance and approval of any environmental review performed on the acquisition of the Property pursuant to and in compliance with the California Environmental Quality Act and said approval shall not be subject to any condition that has not been duly satisfied or waived by Council, or subject to any challenge, threatened or pending, as of the Close of Escrow and shall further be subject to the final review and approval by Council of all financing related to the transactions contemplated by this Agreement.

4.2 Seller's Conditions. Seller's obligations under this Agreement are expressly subject to the timely fulfillment of the conditions set forth in this Section 4.2 on or before the Closing Date, or such earlier date as is set forth below. Each condition may be waived in whole or part by Seller by written notice to Buyer.

4.2.1 Covenants. Buyer performing and complying in all material respects with all of the terms of this Agreement to be performed and complied with by Buyer prior to or at the Closing.

4.2.2 Representations and Warranties. The representations of Buyer set forth in Article 6 being true and accurate on the Closing Date, as if made on such date.

ARTICLE 5. SELLER'S REPRESENTATIONS AND WARRANTIES.

Seller hereby makes the following representations and warranties to Buyer with the understanding that each such representation and warranty is material and is being relied upon by Buyer:

5.1 Compliance. Seller has not received any written notice that the Property or the operation thereof, is not in compliance with applicable laws, ordinances, rules, regulations, judgments, orders, covenants, conditions, restrictions, whether federal, state, local, foreign or private. Seller has not received any request, either formal or informal, oral or written, that Seller modify or terminate any use of the Property.

5.2 Documents. All of the Preliminary Documents and the Additional Documents which have been delivered or made available to Buyer pursuant to Article 3, and all other documents delivered to Buyer by or on behalf of Seller (collectively, the "**Due Diligence Documents**") are true, correct and complete copies of the documents they purport to be in Seller's possession or control and Seller has not removed any portion thereof.

5.3 Condemnation. There are no presently pending or, to Seller's knowledge, contemplated proceedings to condemn or demolish the Property or any part of it.

5.4 Licenses. Seller has not received written notice of any law or regulation of any governmental authority having jurisdiction which might require the Property to be improved beyond its present state or which might restrict the use and enjoyment of the Property in the manner it is presently being used and enjoyed.

5.5 Contracts/Leases/Occupancy Rights. Schedule 5.5 contains a description of all contracts entered into by Seller or its property manager or leasing agent relating to the management, maintenance, leasing or operation of the Property ("**Service Contracts**") as of the Effective Date. Except for the Service Contracts and for matters reflected on the Preliminary Report, there are no agreements or other obligations to which Seller is party or, to Seller's knowledge, entered into by Seller by which it or the Property is bound which may affect the current use of the Property, nor are there any current leases, occupancy or operating agreements in force. No party has a right to occupancy, tenancy, or a license to use or enter the Property. Except as set forth in Schedule 5.5, Seller has fully performed all the obligations required to be performed by Seller under the Service Contracts, and to Seller's knowledge, the other parties to the same are not in default thereunder. There are no collective bargaining agreements, other union contracts of any nature, pension plans or other benefit plans of any nature in existence to which Seller is a party and which affect the Property or the operation thereof.

5.6 Litigation. There are no actions, suits, proceedings, judgments, orders, decrees or governmental investigations pending or, to Seller's actual knowledge, threatened against the Property or Seller which could affect the Property or the purchase, use or enjoyment thereof by Buyer.

5.7 Hazardous Materials.

5.7.1 Definitions. For purposes of this Agreement:

(a) "**Environmental Law(s)**" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901 et seq., the Toxic Substances Control Act, 15 U.S.C. Sections 2601 et. seq., the Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq., the Clean Water Act, 33 U.S.C. Sections 1251 et seq., The Safe Drinking Water and Toxic Enforcement Act of 1986 (Cal. H&S Code Sections 25249.5-25249.13), the Carpenter-Preseley-Tanner Hazardous Substance Account Act (Cal. H&S Code Sections 25300 et seq.), and the California Water Code Sections 1300, et seq., as said laws have been supplemented or amended to date, the regulations promulgated pursuant to said laws and any other federal, state or local law, statute, rule, regulation or ordinance which regulates or proscribes the use, storage, disposal, presence, cleanup, transportation or Release or threatened Release into the environment of Hazardous Material.

(b) "**Hazardous Material**" means any substance which is (i) designated, defined, classified or regulated as a hazardous substance, hazardous material, hazardous waste, pollutant or contaminant under any Environmental Law, as currently in effect or as hereafter amended or enacted, (ii) a petroleum hydrocarbon, including crude oil or any fraction thereof and all petroleum products, (iii) PCBs, (iv) lead, (v) asbestos, (vi) flammable explosives, (vii) infectious materials or (viii) radioactive materials.

(c) "**Release**" means any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leaching, dumping or disposing into the environment of any Hazardous Material (including the abandonment or discarding of barrels, containers, and other receptacles containing any Hazardous Material).

5.7.2 Representations. Except as otherwise disclosed in Schedule 5.10.2:

(a) Seller has not received any written notice of violation issued pursuant to any Environmental Law with respect to the Property or any use or condition thereof.

(b) Seller has not used, handled, stored, transported, released or disposed of any Hazardous Material on, under or from the Property in violation of any Environmental Law

(c) To Seller's actual knowledge, there exists no writ, injunction, decree, order or judgment outstanding, nor any lawsuit, claim, proceeding, citation, directive, summons or investigation pending or, to Seller's knowledge, threatened pursuant to any Environmental Law relating to (i) the ownership, occupancy or use of any portion of the Property by Seller or occupant or user of any portion of the Property or any former owner of any portion of the Property, (ii) any alleged violation of any Environmental Law by Seller or occupant or user of any portion of the Property or any former owner of any portion of the Property or (iii) the suspected presence, Release or threatened Release of any Hazardous Material on, under, in or from any portion of the Property.

(d) To Seller's actual knowledge, there are no above-ground or underground tanks located on the Property used or formerly used for the purpose of storing any Hazardous Material.

(e) To Seller's knowledge, no asbestos abatement or remediation work has been performed on the Property during Seller's ownership thereof.

5.8 Title to the Property. There are no outstanding rights of first refusal or first look, options to purchase, rights of reverter, or claim of right relating to the transfer or sale of the Property or any interest therein granted by Seller. No person holding a security interest in the Property or any part thereof has the right to consent or deny consent to the sale of the Property as contemplated herein, and Seller has the right to pay off such person and to remove all such liens as of the Closing Date.

5.9 Seller's Authority. Seller has the requisite power and authority to own and operate the Property and conduct its business where the same is now owned or operated. The execution, delivery and performance of this Agreement by Seller have been duly and validly authorized by all necessary action and proceedings, and no further action or authorization is necessary on the part of Seller (or its board of directors or shareholders) in order to consummate the transactions contemplated herein. This Agreement and the other documents executed by Seller in connection herewith are legal, valid and binding obligations of Seller, enforceable in accordance with their respective terms. Neither the execution and delivery of this Agreement by Seller, nor performance of any of its obligations hereunder, nor consummation of the transactions contemplated hereby, shall conflict with, result in a breach of, or constitute a default under, the terms and conditions of the organizational documents pursuant to which Seller was organized, or any indenture, mortgage, deed of trust, agreement, undertaking, instrument or document to which Seller or any affiliate thereof is a party or is bound, or any order or regulation of any court, regulatory body, administrative agency or governmental body having jurisdiction over Seller.

5.10 Foreign Person. Seller is not a "foreign person" within the meaning of Section 1445(f) of the Internal Revenue Code.

5.11 No Employees. There are no on-site employees of Seller at the Property. Buyer shall have no obligation to employ any individual employed by Seller or its affiliates in connection with the Property.

As used in this Agreement "**Seller's knowledge**," "**Seller's actual knowledge**" and similar terms shall be deemed to refer to the actual, present knowledge of Randy Mancini, without any duty of investigation or inquiry.

ARTICLE 6. BUYER'S REPRESENTATIONS AND WARRANTIES.

Buyer represents and warrants that it is a California charter city, validly existing under the laws of the State of California, and has the capacity and full power and authority to enter into and carry out the agreements contained in and the transactions contemplated by, this Agreement, and that this Agreement has been duly authorized and executed by Buyer and, upon delivery to and execution by Seller, shall be a valid and binding Agreement of Buyer in accordance with its terms, and will, by Closing Date, have taken all actions required by its organizational documents and applicable law, and have obtained all necessary consents, to consummate the transactions contemplated in this Agreement.

ARTICLE 7. INTENTIONALLY OMITTED.

ARTICLE 8. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

8.1 Survival of Warranties. Buyer and Seller agree that each representation and warranty, covenant by the respective parties contained herein or made in writing pursuant to this Agreement are intended to and shall be deemed made as of the date of this Agreement or such writing and again at the Closing, shall be deemed to be material, and unless expressly provided to the contrary shall survive the execution and delivery of this Agreement, the Deed and the Closing for a period of six (6) months.

8.2 Notice of Changed Circumstances. If either party becomes aware of any fact or circumstances which would render false or misleading a representation or warranty made by such party, then it shall immediately give notice of such fact or circumstance to the other party, then such representations and warranties shall be deemed modified to reflect the disclosure of such information and no default shall be deemed to have occurred on the part of party making such representation in respect of such inaccurate or incomplete representation or warranty.

ARTICLE 9. SELLER'S PRECLOSING COVENANTS.

Seller shall comply with the covenants contained in this Article 9 from the Effective Date through the Closing Date unless Buyer consents otherwise in writing. Buyer may grant or withhold any such consent requested by Seller in Buyer's sole discretion.

9.1 Contracts and Documents. Seller shall not, without Buyer's approval, not to be unreasonably withheld or delayed, (a) amend or waive any right under any Service Contract, Preliminary Document or Additional Document, or (b) enter into any material agreement of any type affecting the Property that would survive the Closing Date.

9.2 Insurance. Seller shall maintain or cause to be maintained in full force and effect its present insurance policies for the Property.

9.3 Compliance with Obligations. Seller shall fully and timely comply with all obligations to be performed by it under the Service Contracts, the other Preliminary Documents, the Conditions of Title and all permits, licenses, approvals and laws, regulations and orders applicable to the Property; provided, however, that in no event shall Seller be required to perform any alterations or improvements to the Property, except to the extent such alteration or improvement is necessitated by Seller's breach of this Agreement or the active negligence or willful misconduct of Seller or Seller's agents or representatives.

9.4 No Transfers. Seller shall not sell, encumber or otherwise transfer any interest in all or any portion of the Property, or agree to do so.

9.5 Termination of Contracts. Seller at its sole cost and expense shall terminate all of the Service Contracts described in Schedule 5.5 at or before the Closing Date, so no Service

Contracts shall remain in effect after the Close of Escrow, except for those contracts which are assumable. If requested in writing, Seller shall deliver to Buyer, prior to or at the Close of Escrow, evidence reasonably satisfactory to Buyer of such terminations.

9.6 Maintenance. At its sole cost and expense, Seller shall operate and maintain the Property such that on the Closing Date the Property shall be in at least as good a condition and repair as on the Effective Date, reasonable wear and tear excepted. Without limiting the generality of the foregoing, Seller shall, at a minimum, spend such amounts for repair and maintenance as are consistent with its prior practice. Seller shall promptly advise Buyer of any significant repair or improvement required to keep the Property in such condition. Seller shall not make any material alterations to the Property, without Buyer's prior consent.

9.7 Best Efforts. Seller shall use commercially reasonable efforts to cause the conditions set forth in Section 4.1.1 through 4.1.7 to be satisfied by the Closing Date, and Seller shall not take or authorize any action that would result in any of the representations and warranties set forth in Article 5 becoming false or incorrect.

ARTICLE 10. CLOSING.

10.1 Time. Provided all conditions set forth in Article 4 have been either satisfied or waived, the parties shall close this transaction (the "**Closing**"), on the date which is 60 days after the expiration of the Due Diligence Period (the "**Closing Date**"), as such date may be extended by the provisions of this Article 10. Notwithstanding the foregoing, solely to the extent reasonably necessary to complete Seller's 1031 Exchange (as defined in Section 13.12), Seller, at its sole discretion, shall have the right to extend the Closing Date for up to three (3) periods of thirty (30) days each by providing written notice of such election to Buyer and Escrow Holder at least ten (10) business days prior to the then-scheduled Closing Date. Seller shall not have any right to extend the Closing Date except as expressly provided in this paragraph for purposes of its 1031 Exchange. Buyer acknowledges that extensions of the Closing Date for purposes of identifying suitable "replacement property(ies)" to include within the Exchange is a reasonable basis for exercising the foregoing rights.

10.2 Escrow. This Article 10, together with such additional instructions as First American Title Company, Attention: Emily Mossi, 627 College Avenue, Santa Rosa, California 95404 ("**Escrow Holder**"), shall reasonably request and the parties shall agree to, shall constitute the escrow instructions to Escrow Holder. If there is any inconsistency between this Agreement and the Escrow Holder's additional escrow instructions, this Agreement shall control unless the intent to amend this Agreement is clearly stated in said additional instructions. Buyer and Seller shall cause Escrow Holder to execute and deliver a counterpart of this Agreement to each of them. If the Title Company does not serve as the Escrow Holder, the Title Company shall provide a letter to Buyer, in form and content acceptable to Buyer, pursuant to which the Title Company accepts responsibility and liability for the acts and omissions of Escrow Holder in discharging Escrow Holder's obligations hereunder, including, without limitation, any acts or omissions of Escrow Holder relating to the Title Company's commitment to issue the Title Policy, the receipt, recordation or delivery of any documents placed into escrow, and the receipt and disbursement of any funds placed into escrow.

10.3 Seller's Deposit of Documents and Funds Into Escrow. Seller shall deposit into escrow on or before Closing the following documents:

10.3.1 A duly executed and acknowledged grant deed conveying fee title to the Property to Buyer ("**Grant Deed**") in the form attached as Exhibit C;

10.3.2 A duly executed assignment, in the form of Exhibit D, assigning to Buyer all of Seller's interest in: (a) the Plans, (b) all warranties of which Seller is the beneficiary with respect to the Property, and (c) all intangible assets of the Property (the "**General Assignment**");

10.3.3 TIntentionally Omitted.

10.3.4 In connection with the Closing, Buyer shall pay the premium cost of the Title Policy, Escrow Holder's fees, recording fees, all transfer taxes, ;

10.3.5 Seller's Non-foreign Certification;

10.3.6 All records and files relating to the management or operation of the Property in Seller's possession or control, including, without limitation, property tax bills, insurance, and property taxes; and

10.3.7 Such additional documents, including written escrow instructions consistent with this Agreement, as may be necessary or desirable for conveyance of the Property in accordance with this Agreement.

10.3.8 Form 593.

10.4 Deliveries Outside of Escrow; Other Funds. Notwithstanding Sections 10.3 and 10.5, Seller and Buyer may elect to deliver the documents described in Sections 10.3 and 10.5 outside of escrow (other than documents which are to be recorded) by giving Escrow Holder a joint written notice of such election, specifying the documents which will be so delivered outside of escrow. Upon receipt of such notice, Escrow Holder shall have no further obligation concerning such specified documents. Except as expressly included herein, all other costs related to the transaction shall be paid by the parties in the manner consistent with the common practice in the Count of Sonoma.

10.5 Buyer's Deposit of Documents and Funds. Buyer shall deposit into escrow:

10.5.1 Buyer's acceptance of the Grant Deed, as necessary to record same;

10.5.2 Buyer's duly executed counterpart of the General Assignment;

10.5.3 The Purchase Price (less the Deposit) in accordance with the provisions of Article 2, plus closing costs as provided in Section 10.3.4, plus or minus prorations as provided in Section 10.8 below, by electronic transfer of federal funds to Escrow Holder, on or before the Closing Date;

10.5.4 $50,000 of the Seller brokerage commission for the sale of the Property to Buyer under this Agreement; and

10.5.5 Such additional documents, including written escrow instructions consistent with this Agreement, as may be necessary or desirable for conveyance of the Property in accordance with this Agreement.

10.6 Default, Termination and Remedies.

10.6.1 Buyer's Termination. This Agreement shall automatically terminate without further notice or action by Buyer upon the occurrence of any of the following events, provided that Buyer is not then in material breach of this Agreement: (a) any condition to Closing contained in Section 4.1 has not been satisfied or waived by Buyer by the Closing Date; or (b) Buyer having exercised its right to terminate this Agreement pursuant to Section 3.4 (disapproval of Due Diligence Investigation), Section 3.5 (disapproval of title) or Article 11 (damage or condemnation). In such event, the parties shall have no further obligation to each other except for those obligations that specifically survive the termination of this Agreement.

10.6.2 Seller's Termination. Provided that Seller is not then in material breach of this Agreement, this Agreement shall automatically terminate without further notice or action by Seller if any condition to Closing contained in Section 4.2 has not been satisfied or waived by Seller by the Closing Date.

10.6.3 Release from Escrow. Upon termination of this Agreement pursuant to Section 10.6.1 or 10.6.2, Escrow Holder shall promptly return to Buyer and Seller, respectively, all documents and monies deposited by them into escrow without prejudice to their rights and remedies hereunder.

10.6.4 Remedies.

(a) Buyer's Remedies. Seller and Buyer agree that, if the purchase and sale of the Property is not completed in accordance with this Agreement because Seller defaults under or breaches this Agreement and Seller does not cure such failure within three (3) business days after Buyer's written notice of such failure, Buyer shall be entitled, as Buyer's sole remedies, in addition to Section 13.9, to either (i) terminate the Agreement and upon termination, the Deposit (and any interest collected thereon) shall be returned to Buyer, or (ii) demand and have specific performance of the Agreement (as amended). Buyer shall be deemed to have elected to terminate this Agreement and receive back the Deposit if Buyer fails to file suit for specific performance against Seller in a court of competent jurisdiction, on or before the date which is thirty (30) days following the date upon which Close of Escrow was to have occurred. Buyer waives any right to record a lis pendens on the Property if such lis pendens is not recorded within thirty (30) days following the date upon which Close of Escrow was to have occurred. In no event shall either party be liable for consequential, incidental, special or punitive damages, whether in contract, tort or under any other legal or equitable principle.

(b) Seller's Remedies/Liquidated Damages. IF BEFORE THE CLOSE OF ESCROW BUYER FAILS TO COMPLY WITH OR PERFORM BUYER'S OBLIGATIONS UNDER THIS AGREEMENT AND (EXCEPT AS OTHERWISE PROVIDED IN

PARAGRAPH 9.6) DOES NOT CURE SUCH FAILURE WITHIN TEN BUSINESS DAYS AFTER SELLER'S WRITTEN NOTICE OF SUCH FAILURE, THEN SELLER MAY THEREAFTER: (I) TERMINATE THIS AGREEMENT; (II) RECEIVE AND RETAIN THE DEPOSIT AS LIQUIDATED DAMAGES IF SUCH DEFAULT OCCURS AFTER BUYER'S APPROVAL PERIOD; AND (III) EXERCISE THE OTHER RIGHTS AND REMEDIES RESERVED BY SELLER AS PROVIDED IN THIS PARAGRAPH. IN THE EVENT SELLER TERMINATES THIS AGREEMENT BY REASON OF BUYER'S DEFAULT, BUYER AND SELLER SHALL BE RELIEVED OF ANY FURTHER OBLIGATION TO EACH OTHER WITH RESPECT TO THIS AGREEMENT AND THE PROPERTY EXCEPT FOR ANY OBLIGATIONS WHICH EXPRESSLY SURVIVE THE TERMINATION OF THIS AGREEMENT. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY BUYER AND SELLER: THAT SELLER WILL INCUR SUBSTANTIAL DAMAGES AS A RESULT OF ANY FAILURE BY BUYER TO COMPLY WITH OR PERFORM BUYER'S OBLIGATIONS UNDER THIS AGREEMENT; THAT IT IS EXTREMELY DIFFICULT AND IMPRACTICAL TO CALCULATE AND ASCERTAIN AS OF THE EFFECTIVE DATE OF THIS AGREEMENT THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED IN SUCH EVENT BY SELLER; AND THAT THE DEPOSIT IS A REASONABLE ESTIMATE OF THE EXTENT TO WHICH SELLER MAY BE DAMAGED BY BUYER'S DEFAULT IN LIGHT OF THE DIFFICULTY THE PARTIES WOULD HAVE IN DETERMINING SELLER'S ACTUAL DAMAGES AS A RESULT OF SUCH DEFAULT BY BUYER. NOTWITHSTANDING ANYTHING IN THIS SECTION 10.6.4(b) TO THE CONTRARY, THE FOREGOING SHALL IN NO EVENT LIMIT BUYER'S INDEMNITY OBLIGATIONS UNDER THIS AGREEMENT AND/OR SELLER'S RIGHTS AND REMEDIES IN CONNECTION THEREWITH.

Initial RM	JN Jason Nutt
SELLER'S INITIALS	BUYER'S INITIALS

(c) Waiver of Specific Performance. SELLER HEREBY WAIVES THE RIGHT TO MAINTAIN AN ACTION FOR SPECIFIC PERFORMANCE OF BUYER'S OBLIGATION TO PURCHASE THE PROPERTY AND SELLER AGREES THAT SELLER CAN BE ADEQUATELY COMPENSATED IN MONEY DAMAGES IF BUYER FAILS TO PURCHASE THE PROPERTY IN BREACH OF THIS AGREEMENT. SELLER ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH ARE A MATERIAL PART OF THE CONSIDERATION BEING GIVEN TO BUYER FOR ENTERING INTO THIS AGREEMENT AND THAT BUYER WOULD BE UNWILLING TO ENTER INTO THIS AGREEMENT IN THE ABSENCE OF THE PROVISIONS OF THIS PARAGRAPH.

Initial RM	JN Jason Nutt
SELLER'S INITIALS	BUYER'S INITIALS

10.7 Closing. When Escrow Holder has received all documents and funds identified in Sections 10.3 and 10.5, has received notification from Buyer and Seller that all conditions to Closing to be satisfied outside of escrow have been satisfied or waived and Title Company is irrevocably committed to issue the Title Policy, then, and only then, Escrow Holder shall:

10.7.1 Record the Grant Deed;

10.7.2 Cause the Title Company to issue the Title Policy to Buyer;

10.7.3 To the extent not otherwise delivered to Buyer outside of escrow, deliver to Buyer: (a) a conformed copy (showing all recording information thereon) of the Grant Deed; (b) fully executed original counterparts of the General Assignment; and (c) the Seller's Certificate, and the Non-foreign Certification;

10.7.4 Deliver the Purchase Price (as adjusted pursuant to Section 10.8) to Seller and copies of the recorded Grant Deed and other Closing documents provided by Seller and Buyer in connection with the Close of Escrow.

Escrow Holder shall prepare and sign closing statements showing all receipts and disbursements and deliver copies to Buyer and Seller and, if applicable, shall file with the Internal Revenue Service (with copies to Buyer and Seller) the reporting statement required under Section 6045(e) of the Internal Revenue Code.

10.8 Prorations. Subject to the other provisions of this Section 10.8, all receipts and disbursements of the Property will be prorated as of 11:59 p.m. on the day immediately preceding the Closing Date. Not less than five business days prior to the Closing, Seller shall submit to Buyer for its approval a tentative prorations schedule showing the categories and amounts of all prorations proposed, including all rents and operating expenses. The parties shall agree on a final prorations schedule prior to the Closing and shall deliver the same to Escrow Holder. If following the Closing either party discovers an error in the prorations statement, it shall notify the other party and the parties shall promptly make any adjustment required. The parties agree that any trailing bills that pertain to the Property operations before the Closing Date, which are not available as of Closing, may be presented to Buyer for proration and reimbursement up to ninety (90) days after Closing. Failure to provide any bills by such date shall be a waiver by Seller of such reimbursement and Buyer shall have no further obligation for any such bills and Property expenses. This section 10.8 shall survive closing.

Initial RM | JN Jason Nutt

SELLER INITIALS | BUYER INITIALS

10.8.1 Capital Expenditures and Accounts Payable. All capital and other improvements (including labor and material) which have been performed or contracted for, by or on behalf of Seller prior to the Closing Date, and all sums due for accounts payable which have been incurred with respect to the Property prior to the Closing Date shall be paid by Seller. Buyer shall furnish to Seller for payment any bills for such period received after the Closing Date, and Buyer shall have no further obligation with respect thereto. Seller's obligations pursuant to this Section 10.8.1 shall survive the Closing.

10.8.2 Property Taxes. General real estate taxes, water or sewer rates and charges (if not metered), personal property taxes, or any other governmental tax or charge levied or assessed against the Property (collectively, the "**Taxes**"), relating to the Property and payable during the year in which Closing occurs shall not be prorated between Seller and Buyer in Escrow. Upon recordation of the Grant Deed, Buyer will request cancellation of the real property taxes for the Property pursuant to California Revenue and Taxation Code Section 4986. If current taxes have not yet been paid as of the Closing Date, then at Closing Seller shall pay through Escrow or out of Seller's proceeds, the full amount of the installment applicable for the period in which Closing occurs. Seller shall be entitled to a refund of any excess payment made to the taxing authority on account of the Property, including any taxes paid by Seller and applicable to any period from and after the Closing Date. The taxing authority will notify Seller of any refund due Seller resulting from the subject acquisition after a review and any subsequent proration of the property tax assessment by the county assessor. Seller retains the right, following close of escrow, to apply to the appropriate governmental authority/ies for refund of real property taxes pursuant to Revenue and Taxation Code Section 5096.7 (or such other applicable law), and Buyer shall reasonably cooperate with Seller's efforts to obtain said refund.

10.8.3 Utility Charges. All utility charges shall be prorated as of the Closing Date and Seller shall obtain a final billing therefor. All utility security deposits, if any, shall be retained by Seller.

10.9 Possession. Seller shall deliver exclusive right of possession of the Property to Buyer on the Closing Date.

ARTICLE 11. DAMAGE, DESTRUCTION AND CONDEMNATION.

This Agreement shall be governed by the Uniform Vendor and Purchaser Risk Act as set forth in Section 1662 of the California Civil Code as supplemented and modified by this Article 11. Seller shall promptly notify Buyer in writing of any material damage to the Property and of any taking or threatened taking of all or any portion of the Property of which Seller obtains actual notice. Within ten (10) days after receipt of such notice, Buyer shall determine whether a material part of the Property has been damaged or whether such taking or threatened taking has affected or will affect a material part of the Property. As used herein, (a) the destruction of a "**material part**" of the Property shall be deemed to mean an insured or uninsured casualty to the Property having an estimated cost of repair which in the reasonable judgment of Buyer equals or exceeds $1,000,000 and (b) a taking by eminent domain of a portion of the Property shall be deemed to affect a "**material part**" of the Property if in the reasonable judgment of Buyer the estimated value of the portion of the Property taken exceeds $1,000,000. Upon making its determination, Buyer shall notify Seller in writing of the results of such determination. Buyer may elect, by written notice delivered to Seller within 30 days after giving Seller notice of such determination, to terminate this Agreement in accordance with Section 10.6.1 if a material part of the Property has been damaged or if such taking has affected or will affect a material part of the Property. If Buyer does not so terminate, (i) in the case of damage to a material part of the Property, Seller shall assign to Buyer at the Closing its right to recover under any insurance policies covering such damage and shall pay Buyer at the Closing the amount of the deductible, if any, and (ii) in the case of a threatened or actual taking of a material part of the Property, Seller shall assign to Buyer at the Closing Seller's entire right, title and interest in the proceeds thereof. If between the Effective Date and the Closing Date the Property suffers damage which is not material, Seller shall repair such damage at its expense prior to the Closing, and the Closing Date shall be extended for a reasonable period of time to allow for completion of such repairs. The Closing Date shall be extended as necessary to permit Buyer to exercise its rights under this Article 11.

ARTICLE 12. AS-IS PURCHASE; RELEASE

12.1 AS IS. Buyer is purchasing the Property in its existing condition, “AS-IS, WHERE-IS, WITH ALL FAULTS”, and will, by the expiration of the Due Diligence Period, have made and have waived all inspections and investigations of the Property and its vicinity which Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Property.

12.2 No Representations. Other than the express representations and warranties of Seller contained in Article 5, neither Seller, its members or managers, nor any person or entity acting by or on behalf of Seller, or any member, manager, partner, shareholder, officer, director, trustor, trustee, beneficiary, employee, agent, affiliate, successor or assign of any of the foregoing has made any representation, warranty, inducement, promise, agreement, assurance or statement, oral or written, of any kind to Buyer upon which Buyer is relying, or in connection with which Buyer has made or will make any decisions concerning the Property or its vicinity including, without limitation, its use, condition, value, compliance with governmental regulations, status of Service Contracts, the existence or absence of Hazardous Materials or the permissibility, feasibility, or convertibility of all or any portion of the Property for any particular use or purpose, including without limitation its present or future prospects for sale, lease, development, occupancy or suitability as security for financing.

12.3 Buyer’s Release. Upon the Close of Escrow, Buyer hereby releases Seller and its direct and indirect members, managers, partners, officers, directors, shareholders, trustors, trustees, beneficiaries, agents, affiliates, employees and successors and assigns from and against any and all complaints, claims, charges, claims for relief, demands, suits, actions and causes of action, whether in law or in equity, which Buyer asserts or could assert at common law or under any statute, rule, regulation, order or law, whether federal, state or local, on any ground whatsoever, whether or not known, suspected, liquidated, contingent or matured, with respect to any event, matter, claim, occurrence, damages or injury (collectively, “Claims”), to the extent arising out of or in connection with the Property. Buyer agrees that there is a risk that subsequent to the execution of this Agreement, Buyer will suffer losses, damages or injuries which are unknown and unanticipated at the time this Agreement is signed. BUYER HEREBY ASSUMES SUCH RISK AND AGREES THAT THE RELEASE CONTAINED IN THIS SECTION SHALL APPLY TO ALL UNKNOWN OR UNANTICIPATED CLAIMS, AS WELL AS THOSE KNOWN AND ANTICIPATED, AND BUYER DOES HEREBY WAIVE ANY AND ALL RIGHTS UNDER CALIFORNIA CIVIL CODE SEC. 1542, WHICH SECTION HAS BEEN DULY EXPLAINED AND READS AS FOLLOWS:

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

JN
Jason Nutt
Buyer’s Initials

The foregoing release shall be effective as of the Close of Escrow. Notwithstanding anything stated to the contrary in this Agreement (1) the foregoing release and provisions under this Article 12 shall not extend to (and shall expressly exclude) claims arising from (i) Seller's fraud or willful misconduct or (ii) Seller's breach of its express representations, warranties, covenants and obligations (including indemnity obligations) under this Agreement and the documents executed by Seller upon the Close of Escrow. The provisions of this Section shall survive the Close of Escrow.

ARTICLE 13. GENERAL.

13.1 Notices. All notices, demands, approvals, and other communications provided for in this Agreement shall be in writing and shall be effective (a) when personally delivered to the recipient at the recipient's address set forth below; (b) five business days after deposit in a sealed envelope in the United States mail, postage prepaid, by registered or certified mail, return receipt requested, addressed to the recipient as set forth below; or (c) one business day after deposit with a recognized overnight courier or delivery service, addressed to the recipient as set forth below, whichever is earlier. If the date on which any notice to be given hereunder falls on a Saturday, Sunday or legal holiday, then such date shall automatically be extended to the next business day immediately following such Saturday, Sunday or legal holiday Email notices may be used for convenience as expressly permitted under this Agreement and shall be deemed delivered. ; or (d) one (1) business day after delivery by email if sent after 5 pm, or received the same day if sent on a business day between 8 am and 5 pm, and a duplicate shall be sent via USPS on the same day as the email.

The addresses for notice are:

SELLER: Mancini Properties, LLC
2940 Reed Avenue
Livermore, CA 94550
Attn: Randy Mancini
Phone: 408-892-1700
Email: rmancinimsw@gmail.com

With a copy to: Berliner Cohen, LLP
Ten Almaden Blvd., 11th Floor
San Jose, CA 95113
Attn: Mark Makiewicz
Phone: 408-286-5800
Email: mark.makiewicz@berliner.com

BUYER: City of Santa Rosa
Attn: Real Estate Manager
100 Santa Rosa Avenue, Room 6
Santa Rosa, CA 95404
Phone: 707-543-4246
Email: REServices@srcity.org

Either party may change its address by written notice to the other given in the manner set forth above.

13.2 Entire Agreement. This Agreement and the Schedules and Exhibits hereto contain the entire agreement and understanding between Buyer and Seller concerning the subject matter of this Agreement and supersede all prior agreements, including any previous letter of intent or terms, understandings, conditions, representations and warranties, whether written or oral, made by Buyer or Seller concerning the Property or the other matters which are the subject of this Agreement.

13.3 Amendments and Waivers. No addition to or modification of this Agreement shall be effective unless set forth in writing and signed by the party against whom the addition or modification is sought to be enforced. The party benefited by any condition or obligation may waive the same, but such waiver shall not be enforceable by another party unless made in writing and signed by the waiving party.

13.4 Invalidity of Provision. If any provision of this Agreement as applied to either party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

13.5 References. Unless otherwise indicated, (a) all Article, Section, Schedule and Exhibit references are to the articles, sections, schedules and exhibits of this Agreement, and (b) all references to days are to calendar days. All the Schedules and Exhibits attached hereto are incorporated herein by this reference. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls upon a Saturday, Sunday or California state holiday, such time for performance shall be extended to the next business day. The headings used in this Agreement are provided for convenience only and this Agreement shall be interpreted without reference to any headings. The masculine, feminine or neuter gender and the singular or plural number shall be deemed to include the others whenever the context so indicates or requires.

13.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and to be performed in California.

13.7 Confidentiality and Publicity. Buyer is a public entity and as such, this Agreement, upon its presentation for approval at Buyer's City council at a duly called and agendized public meeting, shall be subject to the Public Records Act and the Freedom of Information Act. No press release or other public disclosure may be made by Seller or any of its agents regarding Buyer's intent for this Property this transaction without the prior consent of Buyer.

13.8 Time. Time is of the essence in the performance of the parties' respective obligations under this Agreement.

13.9 Attorneys' Fees. In the event of any legal or equitable proceeding to enforce any of the terms or conditions of this Agreement, or any alleged disputes, breaches, defaults or misrepresentations in connection with any provision of this Agreement, the prevailing party in such proceeding shall be entitled to recover its reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and costs of defense paid or incurred in good faith.

13.10 Assignment. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. However, neither party shall have the right to assign all or any portion of its interest in this Agreement without the other party's prior written consent. No assignment shall release the assigning party from its obligations and liabilities hereunder.

13.11 Further Assurances. Seller, at any time before or after Closing, shall, at its own expense, execute, acknowledge and deliver any further deeds, assignments, conveyances and other assurances, documents and instruments of transfer reasonably requested by Buyer and shall take any other action consistent with the terms of this Agreement that may reasonably be requested by Buyer for the purpose of transferring and confirming to Buyer, or reducing to Buyer's possession, any or all of the Property or otherwise carrying out the terms of this Agreement.

13.12 Cooperation With Exchange. Buyer agrees to cooperate with Seller if Seller intends to accomplish a tax-deferred exchange pursuant to Section 1031 of the Internal Revenue Code of 1986 ("**1031 Exchange**"). Seller may assign this Agreement to an exchange intermediary for the purpose of facilitating such an exchange by the assigning party. In no event shall Buyer act as purchaser or acquirer of any exchange property. Seller shall indemnify and defend and hold Buyer harmless from any claims, loss, damages or liability arising out of participation in an exchange.

13.13 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party hereto or give any third person any right of subrogation or action over against any party to this Agreement.

13.14 Remedies Cumulative. The remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a party.

13.15 Commissions, Indemnity, Disclosure. Each party represents to the other party that there is no broker representing such party in the current transaction, and that the representing party has incurred no liability for any brokerage commission or finder's fee arising from or relating to the transactions contemplated by this Agreement, except for Harley Estella of Jones Lang LaSalle representing the Seller ("**Seller's Broker**"). Seller shall be responsible for any broker commission associated with this purchase, including any commission due to Seller's Broker, except for the $50,000 payment to be paid by Buyer pursuant to Section 10.5.4 . Each party hereby indemnifies and agrees to protect, defend and hold harmless the other party from and against all liability, cost, damage or expense (including without limitation attorneys' fees and costs incurred in connection therewith) on account of any brokerage commission or finder's fee which the indemnifying party has agreed to pay or which is claimed to be due as a result of the actions of the indemnifying party. This Section 13.15 is intended to be solely for the benefit of the parties hereto and is not intended to benefit, nor may it be relied upon by, any person or entity not a party to this Agreement.

13.16 <u>Counterparts/Facsimile/PDF Signatures</u>. This Agreement may be executed in counterparts and when so executed by the parties, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument that shall be binding upon the parties, notwithstanding that the parties may not be signatories to the same counterpart or counterparts. The parties may integrate their respective counterparts by attaching the signature pages of each separate counterpart to a single counterpart. In order to expedite the transaction contemplated herein, facsimile or .pdf signatures may be used in place of original signatures on this Agreement. Seller and Buyer intend to be bound by the signatures on the facsimile or .pdf document, are aware that the other party will rely on the facsimile or .pdf signatures, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the form of signature.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

BUYER:

City of Santa Rosa, a California municipal corporation

By:________________________________

Jason Nutt, Acting City Manager

APPROVED AS TO FORM:

By:________________________________

BEST BEST & KRIEGER, LLP

SELLER:

MANCINI PROPERTIES, LLC,
a California limited liability company

Signed by:

By Randy Mancini________________________________

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Randy Mancini, Manager

Acceptance by Escrow Holder

Escrow Holder acknowledges receipt of the foregoing Agreement and accepts the instructions contained therein.

Dated: 04/13/2026, 2026

By: Emily Mossi
Emily Mossi (Apr 13, 2026 13:38:38 PDT)
Name: Emily Mossi
Title: Escrow Officer

EXHIBIT A

LAND DESCRIPTION

Real property in the City of Santa Rosa, County of Sonoma, State of California, described as follows:

Real property in the City of Santa Rosa, County of Sonoma, State of California, described as follows: Lot 1, as shown upon the Map of HILLVIEW ESTATES, filed in the Office of the Sonoma County Recorder on June 19, 1985 in Book 373 on Maps, at Pages 6 through 9, Sonoma County Records. Excepting therefrom that certain strip of land conveyed to the City of Santa Rosa, a municipal corporation, by Grant Deed, recorded November 24, 1993, Instrument No. 1993-0151299, Sonoma County Records.

APN: 044-260-073

EXHIBIT B

TRANSFEROR'S CERTIFICATION OF NON-FOREIGN STATUS

Section 1445 of the Internal Revenue Code of 1986, as amended (the "Code"), provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the CITY OF SANTA ROSA, a California municipal corporation (the "Transferee"), that withholding of tax under Section 1445 of the Code will not be required upon the transfer of a U.S. real property interest to the Transferee by Mancini Properties, LLC, a California limited liability company (the "Transferor"), the undersigned hereby certifies the following on behalf of the Transferor:

1. The Transferor is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);

2. The Transferor's U.S. employer identification number is _______________; and

3. The Transferor's office address is ____.

The Transferor understands that this Certificate may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalty of perjury I declare that I have examined this Certification and, to the best of my knowledge and belief, it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of the Transferor.

DATED: ________________, 20___.

By: ____

Name:______________________________________

Title:_______________________________________

EXHIBIT C

GENERAL ASSIGNMENT

This Assignment (the "Assignment") is dated for reference purposes only as of __________________, by Mancini Properties, LLC, a California limited liability company ("Assignor").

FOR VALUABLE CONSIDERATION, as set forth in that certain Agreement of Purchase and Sale and Joint Escrow Instructions dated _______, 2026 (the "Agreement"), Assignor hereby assigns and transfers to the CITY OF SANTA ROSA, a California municipal corporation ("Assignee"), following:

A. All equipment leases, service and/or maintenance agreements and contracts relating to the Real Property (collectively, the "Contracts

B. All permits, licenses, consents, registrations and other similar approvals applicable to the Real Property (collectively, the "Approvals")

C. All as-built plans and specifications for: (1) the Real Property; and (2) any and all improvements used in connection with the operation or occupancy of the Real Property or located upon the Real Property (the "Improvements")(collectively, the "Plans"); and

D. All warranties of which Assignor is the beneficiary (the "Warranties") with respect to the Improvements.

This Assignment shall not supersede the Agreement and, in the event of conflict between this Assignment and the Agreement, the Agreement shall control.

This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, executors, administrators, successors and assigns.

This Assignment shall take effect the last to occur of the following: (i) full execution by all parties, as shown by the last date entered below the parties' signatures and (ii) upon the consummation of the transaction between Assignee and Assignor.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the date first above written.

ASSIGNOR:

Mancini Properties, LLC,
a California limited liability company

By: ______________________________
Name: ______________________________
Its: ______________________________

Date:______________________________

EXHIBIT D

GRANT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

City of Santa Rosa
Department of Planning & Economic Development
Engineering Development Services
100 Santa Rosa Ave, Room 5
Santa Rosa, CA 95404

EXEMPT FROM RECORDING FEES PURSUANT TO GOVERNMENT CODE SECTION 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 044-260-073

Grant Deed

The undersigned Grantor(s) declare(s): City of Santa Rosa is exempt from property taxes
Documentary transfer tax is $0.
☐ Computed on full value of property conveyed, or
☐ Computed on full value less value of liens and encumbrances remaining at time of sale.
☐ Unincorporated area ☒ City of Santa Rosa and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

MANCINI PROPERTIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

hereby GRANT(S) to

CITY OF SANTA ROSA, A MUNICIPAL CORPORATION

the following described real property in the City of Santa Rosa, County of Sonoma, State of California:
SEE ATTACHED EXHIBIT A

SUBJECT TO:

1. Taxes and assessments.
2. All other covenants, conditions, restrictions, reservations, rights, rights of way, easements, encumbrances, liens and title matters of record or visible from an inspection of the Property and all matters which an accurate survey of the Property would disclose.

Dated: _______________, 20___

Mancini Properties, LLC,
a California limited liability company

By: ________________________________
Name: ________________________________
Its: ________________________________

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 _________, 20___ before me, _______________________________, Notary Public, personally appeared ____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature:____ (seal)

CERTIFICATE OF ACCEPTANCE

Pursuant to Section 27281 of the
California Government Code

This is to certify that the interest in real property conveyed by the Grant Deed dated __________________, 2026, from Mancini Properties, LLC, a California limited liability company, to the **City of Santa Rosa**, a municipal corporation, is hereby accepted by the undersigned officer on behalf of the City of Santa Rosa, pursuant to the authority conferred by Resolution No. _______, adopted by the City Council of the City of Santa Rosa on ___________________, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: _________________, 2026

CITY OF SANTA ROSA

By ____________________________

SCHEDULE 5.5
Service Contracts as of Effective Date

Vendor	Service
Bay Alarm	Monitoring & required fire system alarm & sprinkler inspections
Citywide	Lot sweeping, removal of dumped items, graphitti as needed
Century Lighting	Quarterly lighting outage check
BE Bird Landscape	Weekly landscape service
State Roofing	Annual new roof warranty maintenance & inspection
CheckRite Backflow	Annual testing of backflow devices

Purchase Sale Agreement - 2908 SR Ave._Execution Copydocx

Final Audit Report 2026-04-01

Created:	2026-04-01 (Pacific Daylight Time)
By:	Stephanie Valkovic (SValkovic@srcity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAACifvZPy46t4nxP27IIu9P1IUIrZsKQEk

"Purchase Sale Agreement - 2908 SR Ave._Execution Copydoc x" History

Document created by Stephanie Valkovic (SValkovic@srcity.org)
2026-04-01 - 4:07:11 PM PDT

Document emailed to Jason Nutt (jnutt@srcity.org) for signature
2026-04-01 - 4:28:52 PM PDT

Email viewed by Jason Nutt (jnutt@srcity.org)
2026-04-01 - 5:00:13 PM PDT

Document e-signed by Jason Nutt (jnutt@srcity.org)
Signature Date: 2026-04-01 - 5:01:16 PM PDT - Time Source: server

Agreement completed.
2026-04-01 - 5:01:16 PM PDT

Purchase Sale Agreement - 2908 SR Ave._Execution Copy_Escrowdocx

Final Audit Report 2026-04-13

Created:	2026-04-13 (Pacific Daylight Time)
By:	Stephanie Valkovic (SValkovic@srcity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAANV23ACq_QIJpkprE1eJLILDi654mblK5

"Purchase Sale Agreement - 2908 SR Ave._Execution Copy_Escrowdocx" History

Document created by Stephanie Valkovic (SValkovic@srcity.org)
2026-04-13 - 11:47:36 AM PDT

Document emailed to teammossi@firstam.com for signature
2026-04-13 - 11:54:35 AM PDT

Email viewed by teammossi@firstam.com
2026-04-13 - 1:37:55 PM PDT

Signer teammossi@firstam.com entered name at signing as Emily Mossi
2026-04-13 - 1:38:36 PM PDT

Document e-signed by Emily Mossi (teammossi@firstam.com)
Signature Date: 2026-04-13 - 1:38:38 PM PDT - Time Source: server

Agreement completed.
2026-04-13 - 1:38:38 PM PDT