

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this “**Agreement**”) is made and entered into as of _____, 2024 (the “**Agreement Date**”) by and between: (a) the ESTATE OF JOHN A. THOMAS A/K/A JOHN ALFRED THOMAS (the “**Estate**”), by and through its Special Administrator Wells Fargo Bank, N.A. (with any future replacement, substitute, successor or additional administrator of the Estate, “**Special Administrator**”); LINDA L. THOMAS, individually and as trustee of the Linda Thomas Family Trust dated September 23, 2002 (collectively “**Thomas**”); and AREA EIGHT ENTERPRISES, LLC, a California limited liability company (“**Area LLC**” and collectively with the Estate and Thomas, “**Seller**”); on the one hand; and (b) [name of buyer] (“**Buyer**”), on the other hand, for the purpose of setting forth the agreement of the parties and to provide instructions to First American Title Company (“**Escrow Agent**”) with respect to the transaction contemplated by this Agreement.

RECITALS

A. The entities, individuals, and estates that collectively constitute Seller own approximately 17.29 acres of real property located in the City of Huntington Beach (the “**City**”), County of Orange (the “**County**”), State of California, as more particularly described on Exhibit “A-1” and depicted on Exhibit “A-2” attached hereto (the “**Land**”), which Exhibit “A-1” also sets forth the specific ownership of each particular portion of the Land by each of the entities, individuals, and/or estates that collectively constitute Seller. The Land, together with the Improvements (as hereinafter defined), the balance of the Real Property (as hereinafter defined), the Intangible Property (as hereinafter defined), and the Tangible Personal Property (as hereinafter defined) are collectively referred to in this Agreement as the “**Property**.”

B. Seller desires to sell, transfer, and convey the Property to Buyer, and Buyer desires to purchase and acquire the Property from Seller, upon and subject to the terms and conditions set forth in this Agreement.

C. Seller has informed Buyer that the ownership interest of the Estate in the Property is subject to the administration of the Estate pursuant to Case Number 30-2014-00711762 in the Superior Court of the State of California for the County of Orange (the “**Court**”), and that the Court has appointed Special Administrator as the special administrator of the Estate.

D. This Agreement and the consummation of the sale transaction set forth herein are subject to approval by the Court as more fully provided in Section 4.5 of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller hereby agree, and instruct Escrow Agent, as follows:

1. PURCHASE AND SALE.

Subject to and upon all of the terms and conditions of this Agreement, Seller agrees to sell, transfer, and convey to Buyer, and Buyer agrees to purchase and acquire from Seller, good and marketable title, in fee simple, to all of the Property.

2. PURCHASE PRICE.

2.1 Purchase Price. The purchase price for the Property (the “**Purchase Price**”) shall be [insert purchase price]. The Purchase Price shall be payable as follows:

2.1.1 Deposit. Within three (3) Business Days (as hereinafter defined) of the Escrow Date (as hereinafter defined), Buyer shall deposit into Escrow (as hereinafter defined) the sum of [0.0526% of the Purchase Price] (the “**Initial Deposit**”). Unless this Agreement has been terminated in accordance with its terms, then within three (3) Business Days following the Due Diligence Termination Date (as hereinafter defined), Buyer shall deposit into Escrow an additional sum of [0.211% of the Purchase Price] (the “**Second Deposit**”). Unless this Agreement has been terminated in accordance with its terms, then within six (6) months following the Due Diligence Termination Date, Buyer shall deposit into Escrow an additional sum of [0.526% of the Purchase Price] (the “**Third Deposit**”). Unless this Agreement has been terminated in accordance with its terms, then within twelve (12) months following the Due Diligence Termination Date, Buyer shall deposit into Escrow an additional sum [0.526% of the Purchase Price] (the “**Fourth Deposit**”). Unless this Agreement has been terminated in accordance with its terms, then within eighteen (18) months following the Due Diligence Termination Date, Buyer shall deposit into Escrow an additional sum of [0.526% of the Purchase Price] (the “**Fifth Deposit**”). As used in this Agreement, the term “**Deposit**” means such portion of the Initial Deposit, the Second Deposit, the Third Deposit, the Fourth Deposit, and the Fifth Deposit, collectively, as has theretofore been deposited into Escrow. Each installment of the Deposit shall be delivered to Escrow Agent by wire transfer or other delivery of immediately available U.S. funds. Until disbursed in accordance with the terms of this Agreement, Escrow Agent shall invest the Deposit in a federally insured interest-bearing account, as Buyer may instruct from time to time, and all interest earned on the Deposit, if any, shall be and remain the property of Buyer. The Deposit shall be fully refundable to Buyer at all times prior to the Due Diligence Termination Date. If Buyer delivers a Feasibility Notice (as hereinafter defined), then the Deposit shall become non-refundable after the Due Diligence Termination Date, except as expressly provided otherwise in this Agreement, and shall be credited against the Purchase Price at the Closing. If Buyer fails to timely deposit into the Escrow any portion of the Deposit on or before the due date specified above for such portion and does not cure such failure within two (2) Business Days after written notice from Seller, then Buyer shall be deemed in default under this Agreement, in which event Seller may terminate this Agreement by written notice to Buyer at any time prior to the date on which Buyer deposits such portion of the Deposit, and upon any such termination, Seller shall be entitled to retain any portion of the Deposit previously placed into Escrow by Buyer and the parties shall have no further rights or obligations under this Agreement, except for rights and obligations that, by their terms, survive the termination of this Agreement. For avoidance of doubt and notwithstanding any contrary provision hereof, the 2-Business Day cure period set forth in this Section 2.1.1 with respect to Buyer’s failure to deliver a portion of the Deposit shall control over the cure period set forth in Section 12.2 of this Agreement.

2.1.2 Balance. At the Closing, Buyer shall deposit into Escrow the balance of the Purchase Price after application of the Deposit, by wire transfer or other delivery of immediately available U.S. funds, net of all prorations and adjustments as provided in this Agreement.

2.1.3 Allocation of Purchase Price. The Purchase Price proceeds payable to Seller under this Agreement shall be paid 51.872% to the Estate and 48.128% to Thomas. This reflects each of the Estate's and Thomas' respective 50% ownership of Area Eight, and reflects a Purchase Price allocation of approximately 38.519% to the Estate, 34.774% to Thomas, and 26.707% to Area Eight. The terms of this Section 2.1.3 constitute an agreement among the persons and entities that collectively constitute Seller and no modification of this Section 2.1.3 by such persons and entities shall require the agreement or joinder by Buyer.

2.2 Independent Consideration. One Hundred Dollars (\$100.00) of the Deposit shall be referred to in this Agreement as the “**Independent Consideration**.” Except as provided in the immediately succeeding sentence, the Independent Consideration shall be non-refundable to Buyer as independent consideration for the rights and options extended to Buyer under this Agreement, including, without limitation, the right and option to terminate this Agreement as provided therein. In all instances under this Agreement in which Buyer elects to terminate or is deemed to have terminated this Agreement and the Deposit is returned to Buyer, Seller shall retain the Independent Consideration from the Deposit when the balance of the Deposit is returned to Buyer, except in the event of a Seller Default (as defined in Section 12.1), in which event Buyer shall receive the entire Deposit (including the Independent Consideration). The Independent Consideration shall be applicable towards the Purchase Price at Closing, but shall not be treated as consideration given by Buyer for any purpose other than as stated in this Section 2.2.

3. ESCROW.

3.1 Escrow Date. Buyer and Seller shall cause an escrow (“**Escrow**”) to be established with Escrow Agent by delivery to Escrow Agent of a copy of this Agreement executed by Seller and Buyer and by Seller's delivery of its Internal Revenue Service Form W-9 to Buyer and Escrow Agent. Upon receipt, Escrow Agent shall promptly execute a counterpart of the acceptance of this Agreement in the space provided following the signature blocks of Seller and Buyer, in its capacity as Escrow Agent, and deliver a copy thereof to each of Seller and Buyer. As used herein, the term “Escrow Date” means the day on which Escrow Agent delivers a fully executed copy of the Agreement to each of Seller and Buyer as provided in the immediately preceding sentence.

3.2 Escrow Instructions. This Agreement shall constitute instructions to Escrow Agent as well as the agreement of the parties. If any other printed instructions are requested of the parties by Escrow Agent and the terms thereof conflict or are inconsistent with any provision of this Agreement or any deed, instrument, or document executed or delivered in connection with the transaction contemplated hereby, then the provisions of this Agreement or such deed, instrument, or document shall control. Without limiting the foregoing, no provision in any printed form instructions shall excuse any performance by either party at the times provided in this Agreement, provide either party hereto with any grace period not provided in this Agreement, indemnify or excuse Escrow Agent for its negligence or willful failure to perform its duties, or give Escrow Agent and/or any broker or other third party any rights in the Deposit, and any such provision shall be deemed void and of no effect. Escrow Agent is hereby appointed and designated to act as

Escrow Agent, and is instructed to deliver, pursuant to the terms of this Agreement, the documents and funds to be deposited with Escrow Agent, as herein provided.

3.3 Closing Protection Letter. If Escrow Agent acts as an agent for an underwriter and does not directly issue policies of title insurance, Escrow Agent agrees that as a condition to acting as the Escrow Agent for this transaction, it shall, concurrently with the Escrow Date, cause its underwriter to issue to Buyer an escrow and closing protection letter or insured escrow and closing service in written form satisfactory to Buyer.

3.4 Termination. UPON ANY TERMINATION OF THIS AGREEMENT BY EITHER OF THE PARTIES HERETO AS EXPRESSLY ALLOWED UNDER THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, ANY DEEMED TERMINATION): (A) BUYER SHALL PROMPTLY RETURN TO SELLER ANY PROPERTY MATERIALS (AS HEREINAFTER DEFINED) DELIVERED TO BUYER IN "HARD COPY" FORM (AS OPPOSED TO ELECTRONICALLY DELIVERED MATERIALS) AND, UPON REQUEST OF SELLER, SHALL DELETE ANY COPIES OF PROPERTY MATERIALS MADE BY BUYER, PROVIDED THAT BUYER MAY RETAIN COPIES OF PROPERTY MATERIALS AS REQUIRED BY APPLICABLE LAW OR BUYER'S DOCUMENT RETENTION POLICIES UNTIL THE ORDINARY COURSE DELETION THEREOF; (B) THE DEPOSIT SHALL BE DELIVERED TO OR RETAINED BY, AS APPLICABLE, THE PARTY THAT THIS AGREEMENT SPECIFIES IS ENTITLED THERETO; (C) ALL OTHER DOCUMENTS, INSTRUMENTS, AND FUNDS DELIVERED TO ESCROW AGENT SHALL BE RETURNED TO THE PARTY THAT DELIVERED THE SAME THERETO; AND (D) THE PARTIES SHALL THEREAFTER BE RELIEVED FROM FURTHER LIABILITY HEREUNDER, EXCEPT WITH RESPECT TO ANY OBLIGATIONS UNDER THIS AGREEMENT THAT ARE EXPRESSLY STATED TO SURVIVE ANY TERMINATION OF THIS AGREEMENT. A COPY OF ANY NOTICE OF TERMINATION ALLOWED UNDER THIS AGREEMENT AND SENT TO A PARTY SHALL ALSO BE SENT TO ESCROW AGENT BY THE PARTY ELECTING TO TERMINATE.

4. ACTIONS PENDING CLOSING.

4.1 Due Diligence.

4.1.1 Property Materials.

4.1.1.1 Within five (5) Business Days after the Escrow Date (the "**Document Delivery Date**"), Seller shall, at Seller's sole cost and expense, provide to Buyer and Buyer's counsel true, correct, and complete copies (digitally if available), or access to a digital web-site established by Seller in which are located true, correct, and complete copies, of all of the following documents to the extent within Seller's possession or control (collectively, the "**Property Materials**"):

- (a) Any title insurance policy or similar instrument obtained by Seller with respect to any of the Real Property;
- (b) Any surveys of all or any portion of the Real Property;

- (c) Any existing environmental reports concerning any of the Real Property;
- (d) All leases, occupancy agreements, operating agreements, and licenses that affect any of the Real Property;
- (e) All archaeological, biological (including, without limitation, threatened / endangered species), soil, geological, grading, drainage, and hydrology reports, surveys, or assessments and any other engineering reports for any of the Real Property; and
- (f) Any unrecorded contracts and agreements of any kind pertaining to the Property that will be applicable from and after Closing.

Upon written request by Buyer, Seller shall also promptly provide Buyer with contact information in Seller's possession for all engineers, architects, consultants, contractors, subcontractors, and other third parties engaged by Seller to prepare the Property Materials and/or in connection with the environmental condition of the Real Property (each of whom Buyer shall be authorized to contact, discuss the Real Property and/or its entitlements and/or development with, and, if desired by Buyer, retain at Buyer's expense).

4.1.1.2 To the extent any of the items described in Section 4.1.1.1 were obtained by Seller from third-party consultants paid by Seller and/or with whom Seller contracted and such items are not otherwise addressed to Buyer, Seller shall cooperate, at no out-of-pocket cost to Seller, with any request by Buyer to cause each such preparer of such items to provide Buyer with a reliance letter reasonably acceptable to Buyer confirming Buyer's right to rely upon and use such items; provided, however, that issuance of any such reliance letter shall not be a condition to Buyer's obligations under this Agreement.

4.1.1.3 Seller shall promptly furnish to Buyer for its review any of the items described in Section 4.1.1.1 that may come into Seller's possession or control from and after the Document Delivery Date.

4.1.1.4 Any Property Materials provided to Buyer are provided solely as a convenience to Buyer, and, except as expressly provided in this Agreement to the contrary, Seller makes no representation or warranty of any kind or nature, either oral or written, directly or indirectly, express, implied, statutory or otherwise, with respect to the information in the Property Materials. The Property Materials shall not be deemed or construed in any way to be a representation or warranty by Seller of any kind or nature either oral or written, directly or indirectly, express, implied, statutory or otherwise. Seller shall have no obligation or liability whatsoever with respect to, or in any way arising out of, the information set forth in the Property Materials, including the accuracy thereof.

4.1.1.5 On or before the Document Delivery Date, Seller shall order from Escrow Agent and direct Escrow Agent to deliver to Buyer upon receipt a Natural Hazard Disclosure Statement in accordance with the Natural Hazard Disclosure Act (California Civil Code Section 1103 et seq.) and any successor or similar statutes thereto.

4.1.2 Buyer's Diligence Tests.

4.1.2.1 At all reasonable times prior to the Closing (or earlier termination of this Agreement), but subject to the terms and provisions of this Section 4.1.2, Buyer and its employees, agents, consultants, and contractors (collectively, “**Buyer’s Representatives**”) shall be entitled, at Buyer’s sole cost and expense, to: (a) upon not less than 24 hours’ email notice to [email address] and [email address], and subject to the terms and conditions of any leases affecting the Real Property that are delivered to Buyer as part of the Property Materials, enter onto the Real Property to perform any inspections, investigations, studies, and tests of the Real Property (including, without limitation, physical, engineering, soils, geotechnical, and environmental tests) that Buyer deems necessary or desirable; provided that in no event shall Buyer or any of the Buyer’s Representatives conduct any borings, drillings, or other invasive testing of the Property (Seller agreeing that a Phase I environmental examination does not constitute invasive testing) without Seller’s prior approval, not to be unreasonably withheld, conditioned or delayed; (b) review all Property Materials; and (c) investigate such other matters pertaining to the Property as Buyer may desire. Any entry onto, or activities conducted by Buyer or any of the Buyer’s Representatives while on, the Real Property shall be subject to, and conducted in accordance with, all applicable laws and shall not unreasonably interfere with, disturb, or injure any of the Occupants (defined below) or their property or business operations. Because the Real Property (or portions thereof) is in the day-to-day occupancy, control, and/or use by tenants, lessees, licensees, or other occupants (collectively, “**Occupants**”) other than Seller, Seller shall have no obligation to effect such entry; rather, Seller agrees to reasonably cooperate with Buyer to secure entry onto the Real Property by Buyer’s Representatives (which cooperation shall include, but not be limited to, granting reasonable requests to contact or communicate with Occupants of the Real Property for entry onto the Real Property). Seller shall have the right to have a representative present at all times while Buyer or any of the Buyer’s Representatives are on the Real Property, but so long as Buyer has provided the 24 hours’ advance notice required above, Buyer shall not be required to reschedule any entry of any Buyer’s Representatives on the Real Property to accommodate such right. Buyer shall be liable and responsible for the compliance of Buyer’s Representatives with the provisions of this Section 4.1.2 applicable to their actions while on the Real Property.

4.1.2.2 If this Agreement is terminated other than pursuant to Section 12.1 upon a Seller Default, then Buyer shall: (a) repair any material damage to the Property caused by the entry of Buyer or Buyer’s Representatives thereon and restore the same to substantially the same condition in which it existed prior to such entry; and (b) deliver to Seller, upon Seller’s request, copies of all studies, reports, and any other items pertaining to the Real Property prepared by third parties at Buyer’s direction and delivered to Buyer in connection with Buyer’s exercise of its rights under this Section 4.1.2 and/or delivered to any Governmental Authority in connection with Buyer’s exercise of its rights under Section 4.3 (other than documents and information that is/are proprietary in nature, marketing studies, architectural renderings, models, elevation, and plans, and matters subject to attorney-client or similar privileges); provided, however, that Seller acknowledges that such materials are provided on an “AS-IS” “WHERE-IS” basis and without any representation or warranty of any kind by Buyer, and Seller’s use of such diligence materials is limited to the extent that the ownership of said materials remains with the consultant that prepared said materials.

4.1.2.3 Prior to any entry onto the Real Property by Buyer or any of the Buyer’s Representatives, Buyer shall obtain and maintain, at its expense, commercial general

liability insurance, including a contractual liability endorsement, and personal injury liability coverage, with Seller and Special Administrator designated as additional insureds, which insurance policy must have limits for bodily injury and death of not less than Two Million and No/100 Dollars (\$2,000,000). Buyer shall furnish to Seller a certificate of insurance evidencing the foregoing coverages prior to any entry onto the Real Property.

4.1.2.4 Buyer shall indemnify, defend and hold Seller and its direct and indirect heirs, devisees, representatives, administrators, trustees, beneficiaries, shareholders, officers, directors, partners, principals, members, affiliates, attorneys, attorneys-in-fact, and Special Administrators, and its and their employees, agents and contractors, and any successors or assigns of the foregoing (each an “**Indemnified Party**” and collectively, the “**Indemnified Parties**” or “**Seller’s Representatives**”) harmless from and against any and all claims (including, without limitation, claims for mechanic’s liens or materialman’s liens), causes of action, demands, obligations, losses, damages, liabilities, judgments, costs, and expenses (including, without limitation, reasonable attorneys’ fees, charges, and disbursements) (collectively, “**Claims**”) to the extent caused by any entry upon the Real Property by Buyer or any of the Buyer’s Representatives pursuant to this Section 4.1.2. Notwithstanding the foregoing, Buyer shall have no responsibility or liability for any of the following: (i) any act or omission of any Indemnified Party; (ii) any adverse condition or defect on or affecting the Property not caused by Buyer or any of the Buyer’s Representatives but discovered or impacted during their inspections including, without limitation, the pre-existing presence or discovery of any matter (such as, but not limited to, any Hazardous Substance (as hereinafter defined)); (iii) the results or findings of any inspection or the disclosure of such results or findings in connection with Buyer’s customary diligence procedures and/or pursuit of the Governmental Approvals; and/or (iv) Buyer’s election to terminate this Agreement as a result of any inspection pursuant to this Agreement. Any entry upon the Real Property by Buyer or any of the Buyer’s Representatives pursuant to this Section 4.1.2 shall be at their own risk. The provisions of this Section 4.1.2.4 shall survive the Closing or the earlier termination of this Agreement.

4.1.3 Buyer’s Termination Right. Buyer shall have the right at any time on or before the date that is ninety (90) days after the Escrow Date (the “**Due Diligence Termination Date**”) to determine in its sole and absolute discretion whether the Property is acceptable to Buyer and to terminate this Agreement for any or no reason. If Buyer elects to proceed with this Agreement past the Due Diligence Termination Date, Buyer will give written notice to Seller and Escrow Agent of such election (a “**Feasibility Notice**”) on or prior to the Due Diligence Termination Date. Buyer’s delivery of a Feasibility Notice shall constitute Buyer’s waiver of any right to terminate this Agreement pursuant to this Section 4.1.3, but shall not affect any right of Buyer to terminate this Agreement that is otherwise set forth in this Agreement. If Buyer does not deliver a Feasibility Notice on or prior to the Due Diligence Termination Date, then this Agreement and the Escrow automatically shall be deemed terminated. If this Agreement is terminated in accordance with this Section 4.1.3, then Escrow Agent is hereby authorized to, and shall, immediately release and return the Deposit to Buyer, without any separate authorization from Seller required.

4.2 Title.

4.2.1 Deliveries by Seller. Within five (5) Business Days following the Escrow Date, Escrow Agent shall cause First American Title Insurance Company (“**Title Insurer**”) to issue and deliver to Buyer (a) a current commitment for a 2006 ALTA extended coverage owner’s policy of title insurance for the Real Property in an amount not less than the Purchase Price (as updated as provided in this Section 4.2, the “**Commitment**”), and (b) legible copies of all documents referenced therein (the “**Exception Documents**”). Title Insurer shall also deliver to Buyer as soon as reasonably possible a plot plan showing the location of all easements burdening or benefitting the Real Property that are plottable (collectively with the Commitment and the Exception Documents, the “**Title Documents**”).

4.2.2 Buyer’s Review of Title. Buyer shall have until the date that is ten (10) Business Days prior to the Due Diligence Termination Date (the “**Title Review Deadline**”) to notify Seller in writing of any objection that Buyer may have to any matters reported or shown in the Title Documents or in any survey obtained by Buyer, or any amendments or updates thereof (a “**Buyer’s Objection Letter**”). Title Insurer shall deliver to Buyer not later than fifteen (15) Business Days prior to the Due Diligence Termination Date an updated Commitment that is dated as of not earlier than twenty (20) Business Days prior to the Due Diligence Termination Date. The date of the delivery of such updated Commitment is referred to herein as the “**Updated Commitment Delivery Date**” and the date of such updated Commitment is referred to herein as the “**Updated Commitment Date**”). Matters shown in Schedule B, Part or Section Two of the Commitment (or any amendments or updates thereof) that are not timely objected to by Buyer as provided above shall be deemed to be “**Permitted Exceptions.**” Notwithstanding any contrary provision of this Agreement, “Permitted Exceptions” shall also include (A) all non-delinquent real estate taxes and assessments, (B) all matters that would be disclosed by an ALTA survey of the Real Property prepared, or physical inspection conducted, as of the Title Review Deadline, except for any objections that Seller agrees in Seller’s Response must be removed or insured over in the Owner’s Title Policy as a condition to Closing, and (C) any matters that are caused by Buyer or any of the Buyer’s Representatives or that arise out of requests made by Buyer in connection with Buyer’s pursuit of the Governmental Approvals (as hereinafter defined). Seller shall cooperate, at no out-of-pocket cost to Seller, with Buyer’s efforts to eliminate title exceptions objected to by Buyer, but except as expressly set forth in Section 4.2.3, Seller shall have no obligation to cure or correct any matter objected to by Buyer. On or before the fifth (5th) Business Day following Seller’s receipt of Buyer’s Objection Letter, Seller shall have the right, by delivering written notice of such election to Buyer and Escrow Agent (“**Seller’s Response**”), to agree to cause Title Insurer to remove or insure over any matters objected to in Buyer’s Objection Letter. If Seller agrees to cause Title Insurer to so remove or insure over any such matters but fails to do so prior to Closing, then such failure shall be a Seller Default (after notice and the expiration of the cure period for Seller Default) and Buyer shall be entitled to pursue its rights and remedies pursuant to the terms of Section 12.1. If Seller fails to deliver Seller’s Response within the period set forth above, it shall be deemed an election by Seller not to cause Title Insurer to so remove or insure over such objections. If Seller elects or is deemed to have elected not to cause Title Insurer to so remove or insure, or if Buyer determines, in its sole discretion, that any proposed endorsement for or insurance over an objected matter is unsatisfactory, then Buyer must elect, by delivering written notice of such election to Seller and Escrow Agent on or before the Due Diligence Termination Date, to either (i) terminate this Agreement, in which case Escrow Agent is hereby authorized to,

and shall, immediately release and return the Deposit to Buyer, without any separate authorization from Seller, or (ii) proceed with this transaction, in which event those objected-to exceptions or matters that Seller has not elected to cause Title Insurer to so remove or insure over shall be deemed to be Permitted Exceptions. Notwithstanding any contrary provision hereof, Buyer's delivery of a Feasibility Notice shall constitute Buyer's election under clause (ii) of the immediately preceding sentence.

If any new title exception(s) that first encumber(s) the Real Property after the Updated Commitment Date is/are reflected in any Title Documents delivered to Buyer after the Updated Commitment Delivery Date and prior to the Closing, that was/were not disclosed in the Title Documents delivered prior thereto and would not have been disclosed in an ALTA survey or physical inspection conducted of the Real Property as of the Title Review Deadline (a "**New Exception**"), then Buyer shall have until the earlier of (x) ten (10) Business Days after disclosure of the New Exception by Title Insurer or (y) the Closing Date (the "**New Objecton Deadline**"), to deliver written notice to Seller objecting to such New Exception ("**New Exception Objecton**"). If Buyer fails to deliver such objection notice by the New Objecton Deadline, then Buyer shall be deemed to have waived its right to object to the New Exception and the same shall constitute a Permitted Exception. If Buyer delivers a New Exception Objecton by the New Objecton Deadline and the New Exception would be reasonably likely to have a material adverse effect upon the use or value of the Real Property or to adversely affect the access, timing or cost to entitle or develop, and/or marketability of the residential subdivision contemplated by the Governmental Approvals sought or obtained, as applicable, by Buyer (collectively, a "**MAE**"), then the removal or insurance over the New Exception in the Owner's Title Policy issued at Closing shall be a condition to Buyer's obligation to consummate the Closing. If a New Exception does not have a MAE, such New Exception shall be a Permitted Exception. If Seller is unable by the scheduled Closing Date to cause the removal from the Owner's Title Policy of any title exceptions that are not Permitted Exceptions, then Seller may extend the Closing Date for a period of up to sixty (60) days to cause such removal. If after the Title Review Deadline Seller causes a New Exception by taking or failing to take action that constitutes a breach of this Agreement, Buyer delivers a New Exception Objecton with respect to such New Exception by the New Objecton Deadline, and Seller does not cause such New Exception to be removed or insured over by the Closing (whether or not such new exception has an MAE), then such failure shall constitute a Seller Default (and no additional notice and cure period over and above the notice and 60 days' cure period provided above shall be required).

4.2.3 Seller Title Matters. Notwithstanding anything else stated herein, in all events, regardless of whether Buyer has given notice of objection as stated in Section 4.2.2 (and Buyer need not object to any such matters), Seller shall be obligated to: (a) satisfy and otherwise remove all monetary and financial liens and encumbrances in existence as of the Agreement Date or incurred by Seller on or before the Closing hereunder (other than non-delinquent taxes or assessments) and any additional encumbrances incurred by Seller after the Agreement Date in violation of any provision of this Agreement; (b) except as may be otherwise specifically set forth in this Agreement, terminate all leases, possessory agreements, licenses, and operating agreements that affect the Property; (c) satisfy all requirements shown in Schedule B, Part or Section One of the Commitment (or any amendments or updates thereof) applicable to Seller's authorization and/or performance in accordance with the terms and conditions of this Agreement (e.g., delivery of entity documentation required by Title Insurer in order to establish the necessary authority of

signers of closing documents); and (d) execute and deliver at Closing an owner's affidavit in commercially reasonable form sufficient for removal of the "standard exceptions" in the Owner's Title Policy, including, without limitation, the mechanic's liens, possession, and unrecorded matters exceptions.

4.2.4 Condition of Title at Closing. Upon the Closing, Seller shall sell, transfer, and convey to Buyer fee simple title to the Real Property by a duly executed and acknowledged deed(s) in materially the form of Exhibit "B" attached hereto ("**Deed**"), subject only to the Permitted Exceptions.

4.3 Governmental Approvals. Following the Escrow Date, Buyer shall be entitled to seek all necessary approvals from the City, the County, and all other applicable governmental authorities, quasi-governmental authorities, and/or utility providers and regulators (collectively, "**Governmental Authorities**") for the development of the Real Property as a residential subdivision (collectively, the "**Governmental Approvals**"), all in form and substance and with stipulations and requirements acceptable to Buyer in its sole and absolute discretion, including, without limitation, all of the following: (a) any rezoning of the Real Property to permit Buyer's intended residential development of the Real Property (the "**Rezoning**"); (b) a vesting tentative map (large and small lot) for the Real Property (the "**Tentative Map**"); (c) any CEQA clearance or approvals necessary to permit Buyer's intended residential development of the Real Property ("**CEQA Clearance**"); (d) improvement plans for all required infrastructure improvements for the Real Property (the "**Improvement Plans**"); (e) all agreements and arrangements, and allocation of sufficient capacity, necessary for providing to the Land all utility services necessary or desirable for Buyer's intended residential development of the Real Property (the "**Utility Arrangements**"); (f) approval and issuance by all applicable Governmental Authorities of all discretionary permits necessary for development in accordance with the Tentative Map and the Improvement Plans, including but not limited to, any necessary site development permit and an unrestricted grading permit; and (g) a remediation plan for the Real Property. As used herein, "**approval**" by the Governmental Authorities includes expiration of all applicable protest, challenge, appeal, and referendum periods without a protest, challenge, appeal, or referendum being filed (or if a protest, challenge, appeal, or referendum has been filed, then on the date that such protest, challenge, appeal, or referendum has been resolved on terms satisfactory to Buyer). Buyer's pursuit of the Governmental Approvals and negotiations with the Governmental Authorities shall be at the sole expense of Buyer. Seller shall cooperate, at no out-of-pocket cost to Seller, with Buyer in its efforts to obtain the Governmental Approvals and shall timely execute any and all applications, consents, and other documents reasonably requested by Buyer in connection therewith. Satisfaction of the Court Approval condition in Section 4.5 shall constitute authorization for Seller to perform its cooperation and execution obligations set forth in the immediately preceding sentence. Notwithstanding anything herein to the contrary, Seller shall have no obligation to execute any documents or take any action, and Buyer shall not take any actions, that encumber the Real Property (Seller agreeing that an unrecorded Tentative Map shall not constitute an encumbrance) prior to the Closing or for which Seller incurs any liability. For avoidance of doubt, Seller shall have the right to approve any zoning change requested by Buyer that would become effective prior to the Closing if such zoning change imposes restrictions on uses of the Property that are permitted as of the date of this Agreement. If Seller elects, in its discretion, to execute any documents requested by Buyer that create personal liability that will survive Closing (rather than liability that will run and transfer with the land upon Closing), then the General Assignment (as

defined below) will be revised to include a paragraph that provides for the specific assignment by Seller and assumption by Buyer of all rights and obligations thereunder. During the period between the Escrow Date and the Closing, Buyer shall give Seller at least two (2) Business Days' prior written notice (if possible, or such notice as is practical otherwise – e.g., if confirmation of the meeting is provided by the Governmental Authority less than two (2) Business Days prior to the meeting) of each formal meeting with any of the Governmental Authorities relating to the Real Property, and Seller shall have the right to have one or more representatives attend and participate in any such meeting. In addition, from and after the Transaction Approval Date, Buyer shall keep Seller generally informed regarding the Governmental Approvals.

4.4 Environmental Condition of Property. Seller has disclosed to Buyer that: (a) there has existed and/or currently exists on the Land one or more oil wells; (b) Hazardous Substances (as hereinafter defined) have been or may have been released in, on, at, or under the Real Property in connection with the oil wells or otherwise; and (c) as a result of the foregoing, the environmental condition of the Real Property as of the Due Diligence Termination Date will require remediation (the “**Remediation**”). If the Closing occurs, then following the Closing Buyer shall be responsible for the Remediation and Seller shall have no responsibility or liability for the environmental condition of the Property as of the Due Diligence Termination Date nor for any costs of the Remediation. Prior to the Due Diligence Termination Date, Buyer will review the Property Materials pertaining to the foregoing and will engage such qualified third-party professionals as Buyer deems necessary for evaluation of the scope of Remediation, as well as a written, not-to-exceed cost estimate for the Remediation (the “**Cost Estimate**”). The qualified third-party professionals engaged by Buyer to prepare the scope of remediation and to prepare the Cost Estimate (the “**Environmental Consultants**”) shall be subject to Seller's approval, which approval shall not be unreasonably withheld, conditioned, or delayed, and any delay by Seller in notifying Buyer of its approval or disapproval of the Environmental Consultants beyond five (5) Business Days after written request by Buyer shall result in an extension of the Due Diligence Termination Date for each day after such 5-Business Day period that Seller fails to notify Buyer of its approval or disapproval of the Environmental Consultants. Buyer shall provide the Cost Estimate to Seller, or cause it to be provided to Seller, as promptly as available. The Cost Estimate shall be subject to Seller's approval in Seller's sole and absolute discretion; provided, however, that Seller shall be deemed to have approved the Cost Estimate so long as the Cost Estimate does not exceed \$23,000,000.00 (the “**Estimate Cap**”). If the Cost Estimate exceeds the Estimate Cap and Seller has not approved the Cost Estimate in writing prior to the Due Diligence Termination Date, then this Agreement shall terminate in accordance with the same terms as would be applicable if Buyer did not deliver a Feasibility Notice prior to the Due Diligence Termination Date unless, as part of a Feasibility Notice or in any other written notice delivered by Buyer prior to the Due Diligence Termination Date, Buyer indicates that it agrees to a Cost Estimate equal to the Estimate Cap. At Closing: (A) Escrow Agent shall withhold out of the funds otherwise deliverable to Seller the sum of one hundred twenty-five percent (125%) of the Cost Estimate (the “**Remediation Funds**”), which shall be held and disbursed in accordance with an escrow holdback agreement in the form of Exhibit “E” attached hereto (the “**Holdback Agreement**”) and (B) Buyer and Seller shall enter into an Environmental Claims Assignment, Release and Environmental Agreement in the form of Exhibit “F” attached hereto (the “**Environmental Agreement**”). As and to the extent more fully provided in the Environmental Agreement, from and after Closing, Buyer shall be solely responsible for all costs, obligations, and liabilities arising from or related to the Remediation, subject only to release of the Remediation Funds pursuant to the Holdback

Agreement, and in no event shall Seller be liable for any costs of the Remediation in excess of the Remediation Funds. In recognition of the fact that Seller, Seller's Representatives, and/or other Occupants, lessees, and designees of Seller (collectively, "**Seller Responsible Parties**") will be conducting on-going operations following the Due Diligence Termination Date and such operations or similar operations occurring in the past have resulted in the current need for Remediation, Buyer shall have the right, prior to Closing, to cause the Environmental Consultants to conduct such further investigations of the Real Property as they deem necessary and advisable to determine if such operations and/or other acts by Seller Responsible Parties after the Due Diligence Termination Date has resulted in additional contamination of the Real Property after the Due Diligence Termination Date that requires additional or further remediation over and above the Remediation required for the condition of the Real Property as of the Due Diligence Termination Date ("**New Remediation Needs**"). If prior to Closing any New Remediation Needs are identified and reasonably substantiated by the Environmental Consultants, then the required Remediation Funds shall be increased by one hundred twenty-five percent (125%) of the estimated costs for the New Remediation Needs, as reasonably determined and substantiated by the Environmental Consultants; provided, however, if the increase in the amount of the Remediation Funds exceeds \$3,000,000.00 (the "**Addition Cap**"), then Seller shall have the right to terminate this Agreement by written notice to Buyer, which termination shall be deemed effective five (5) Business Days following Buyer's receipt of such written notice unless Buyer delivers a written notice to Seller agreeing to limit the increase in the Remediation Funds to the Addition Cap within such five (5) Business Days period, in which event the Remediation Funds shall be increased only by the Addition Cap and the Agreement shall not terminate. If New Remediation Needs are identified as provided above and the Agreement does not terminate, then any environmental condition relating to the New Remediation Needs shall not constitute or be included in Excluded Matters under the Environmental Agreement. If the Agreement is terminated pursuant to this Section 4.4, the Deposit shall be returned to Buyer. Following the Closing, the respective rights, obligations, and liabilities of Seller and Buyer with respect to the environmental condition of the Real Property shall be as set forth in the Environmental Agreement and the Post-Closing License (with respect to the scope thereof).

4.5 Transaction Approval. Seller has disclosed to Buyer that, for the transaction contemplated by this Agreement to be consummated by the Estate, Special Administrator needs to obtain final, non-appealable approval of the Court (collectively, the "**Court Approval**") of: (a) this Agreement (and all attachments hereto, including, without limitation, the Environmental Agreement), and (b) that certain Conditional Dissolution Agreement and Post-Dissolution Asset Disposition Agreement (including all attachments thereto) entered into in connection with the transactions contemplated herein by the Thomas Oilers Partnership, certain persons and entities holding interests in the Thomas Oilers Partnership, the Estate by and through its Special Administrator, and Linda L. Thomas individually and as trustee of the Linda Thomas Family Trust dated September 23, 2002 (the "**Thomas Oilers Agreement**"). As a result, each of Buyer's and Seller's obligation to consummate such transaction is conditioned upon receipt of the Court Approval. Commencing upon the Escrow Date, Seller shall use good faith, commercially reasonable efforts to obtain the Court Approval as expeditiously as reasonably possible. Seller has indicated that prior to seeking Court Approval, Seller may elect to deliver one or more Notices of Proposed Action with respect to this Agreement and/or the Thomas Oilers Agreement to the persons and entities that are entitled to object to Court Approval, and Seller has represented and warranted to Buyer that in the event such Notices of Proposed Action are delivered and such

persons and entities do not timely object, Court Approval is not statutorily required; in that event, the Court Approval condition of this Section 4.5 shall be deemed satisfied. Upon receipt of the Court Approval as provided in the first sentence of this Section or upon the Court Approval condition being deemed satisfied as provided in the immediately preceding sentence, Seller will promptly give notice to Buyer thereof and Buyer shall be entitled to conclusively rely thereon without any further investigation or inquiry of any kind. If, despite Seller's good faith, commercially reasonable efforts, the Court enters a judgment that disapproves the Court Approval or issues a judgment in favor of the Court Approval but such judgment is reversed (without remand for reconsideration by the Court) by a higher court (collectively, a "**Court Approval Failure**"), then the Special Administrator shall notify the parties to this Agreement in writing and upon receipt of such written notice this Agreement shall terminate. If the Court Approval has not been obtained and written notice, together with commercially reasonable documentary evidence thereof, has not been obtained within six (6) months following the Escrow Date, then Buyer shall have the option to terminate this Agreement at any time prior to the date that Court Approval has been obtained and written notice, together with commercially reasonable documentary evidence thereof, has been provided to Buyer, which option shall be exercisable upon not less than ten (10) days' written notice to Seller; provided, however, that if the Court Approval is obtained and Seller provides Buyer with written notice, together with commercially reasonable documentary evidence thereof, within ten (10) days after Seller's receipt of Buyer's termination notice, then Buyer's termination notice shall be rendered null and void, and the Agreement shall remain in effect. If this Agreement is terminated pursuant to this Section 4.5, Escrow Agent is hereby authorized to, and shall, immediately release and return the Deposit to Buyer, without any separate authorization from Seller required. As used herein, the "**Transaction Approval Date**" shall mean the later of (a) the Due Diligence Termination Date or (b) the date that Court Approval has been obtained and written notice, together with commercially reasonable documentary evidence thereof, has been provided to Buyer.

4.7 Seller Covenants. From and after the Agreement Date until the Closing or earlier termination of this Agreement, Seller shall: (a) not take any action to affect title to the Real Property while this Agreement is in effect except as requested by Buyer in writing in connection with the Governmental Approvals or except with respect to any non-monetary encumbrance that is approved by Buyer, provided that Buyer shall not unreasonably withhold its approval of a non-monetary encumbrance (such as, for example, a utility easement) that does not have a MAE; (b) not grant any liens or enter into or modify any existing agreements or instruments that will bind the Real Property after Closing, except as expressly contemplated in this Agreement; (c) maintain its current or other customary insurance coverage over the Real Property; (d) maintain the Real Property in substantially its current condition except for on-going operations by Seller Responsible Parties; (e) timely pay all taxes, assessments, obligations under agreements, and other amounts due with respect to the Property; (f) not commit any waste on or with respect to the Real Property; and (g) not enter into any agreements with any municipalities, special districts, utility companies, taking authorities, adjacent owners, or any other third parties regarding the Property that will bind the Property after Closing and have a MAE. Seller shall be responsible for all costs of terminating any leases or other rights of occupancy so that sole and exclusive possession of the Property shall be delivered to Buyer on or before the date of Closing and there shall be no leases or other rights to occupancy in effect at Closing, subject to the Permitted Exceptions, the Post-Closing License, and Section 14.21 below.

5. DESCRIPTION OF PROPERTY.

5.1 The Real Property. As used in this Agreement, the term “**Real Property**” means, collectively, all of Seller’s right, title, and interest in and to: (a) the Land; (b) all buildings, structures, and improvements thereto or thereon, if any (collectively, the “**Improvements**”); and (c) all of the rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders pertaining to or used in connection with any of the Land and/or any of the Improvements, including, without limitation, all (i) development rights and credits, air rights, water, water rights, water stock, water capacity, sewer, wastewater and reuse water rights, sewage treatment capacity, other utility capacity and rights, credits and prepaid fees, capacity certificates, approvals, and permits relating to any of the Land, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, or other rights appurtenant, adjacent, or connected to any of the Land, and (iii) minerals, oil, gas, and other hydrocarbon substances in, under, or that may be produced from any of the Land.

5.2 The Intangible Property. As used in this Agreement, the term “**Intangible Property**” means, collectively, all of Seller’s assignable right, title, and interest in and to any intangible property, to the extent pertaining to the Real Property or used by Seller in connection with all or any portion of the Real Property, if any, including, without limitation, all of Seller’s right, title, and interest, if any, in and to: (a) all existing and/or draft plats, maps, site plans, improvement plans, architectural plans and specifications, construction plans, drawings and specifications (including, without limitation, any CAD files), and development rights and credits, reimbursements and refunds of any pre-paid fees and/or deposits relating to any of the Real Property (including, without limitation, dry utility, sewer, water and wastewater credits, pre-paid fees and/or certificates, or any impact fees paid to the City or the County); (b) all reports, test results and environmental assessments, if any (in each case on a non-exclusive basis reserving all of Seller’s rights therein as and to the extent necessary in connection with any defense, claim or matter for which Seller does not receive indemnification and defense under the Environmental Agreement), improvement bids and budgets, as-built plans, specifications, and other similar documents and materials relating to the use, operation, maintenance, repair, construction, or fabrication of all or any portion of the Real Property; (c) all transferable licenses, architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements affecting any portion of the Real Property (including, without limitation, the Governmental Approvals); (d) all transferable guarantees, warranties, and utility contracts relating to all or any portion of the Real Property; and (e) all intellectual property rights related to the Real Property, including any trade names related thereto.

5.3 Tangible Personal Property. As used in this Agreement, the term “**Tangible Personal Property**” means, collectively, all of Seller’s right, title and interest, if any, in and to any and all fixtures, machinery, equipment and other tangible personal property located on and/or used in connection with the operation, ownership, or maintenance of the Real Property.

5.4 Thomas Oilers Property. Portions of the Real Property are encumbered by the following two oil and gas leases in which the lessee’s leasehold interest in the Real Property is currently held by Thomas Oilers, a general partnership (the “**Thomas Oilers Partnership**”) as successor lessee: (a) that certain community oil and gas lease known as the Towers Lease, dated August 16, 1933, executed by the lessor signatories thereto and West American Oil Company, as

lessee, recorded on August 25, 1933 in Book 629, Page 177 of the Official Records of Orange County, California covering Lots 14, 15, 24, 25 and 26 in Block "F" of Garfield Street Addition to Huntington Beach, as shown upon a map recorded in Book 7, Pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California, as assigned to the Thomas Oilers Partnership by Assignment of Oil and Gas Lease dated August 12, 1983, which assignment also transferred to Thomas Oilers Partnership those certain wells for the production of oil and gas known as King Petrol Co. Nos. 3, 4 and 5, Concord Nos. 2 and 3, and the oil well productions equipment located thereon and therein; and (b) that certain oil and gas lease dated August 13, 1935 executed by and between The Texas Company, a California corporation, Robert Jeffrey, W.S. Tubach and Albert Fuller, as lessors, and Edward Ivor McCray, as lessee, recorded on November 13, 1935 in Book 790, Page 67 of the Official Records of Orange County, California, covering Lot 10 in Block F of Garfield Street Addition to Huntington Beach, as shown in a map recorded in Book 7, Page 27 of Miscellaneous Maps, Records of Orange County, California, as assigned to the Thomas Oilers Partnership by Assignment of Oil and Gas Lease dated August 12, 1983, which assignment also transferred to Thomas Oilers Partnership that certain well for the production of oil and gas known as Well #9 and the oil well production equipment located thereon and therein. The leasehold interests held by the Thomas Oilers Partnership described above are referred to herein as the **"Thomas Oilers Leaseholds."** The above described wells and all tanks and other oil well production or other equipment, machinery, facilities or other property owned by the Thomas Oilers Partnership and located on the portions of the Real Property encumbered by the Thomas Oiler Leaseholds are referred to as the **"Thomas Oilers Equipment."** If the Court Approval condition of Section 4.5 is satisfied, then Seller shall enforce its rights under the Thomas Oilers Agreement to acquire the Thomas Oilers Leaseholds. If Seller is unable to acquire the Thomas Oilers Leaseholds by the Closing Date, then Seller shall have the right to extend the Closing Date for up to ninety (90) days to enforce its rights to acquire the Thomas Oilers Leaseholds. Upon Seller's acquisition of the Thomas Oilers Leaseholds, Seller shall terminate the Thomas Oilers Leaseholds prior to or concurrent with the Closing so that the Property may be conveyed at Closing to Buyer free and clear thereof.

6. CONDITIONS TO CLOSING.

6.1 Buyer's Closing Conditions. The obligation of Buyer to complete the transaction contemplated by this Agreement is subject to the following conditions precedent (and conditions concurrent, with respect to deliveries to be made by Seller at the Closing) (collectively, **"Buyer's Closing Conditions"**), which conditions may be waived, or the time for satisfaction thereof extended, by Buyer only in a writing executed by Buyer:

6.1.1 Title. Title Insurer must be irrevocably and unconditionally prepared and committed to issue to Buyer (with an effective date not earlier than the Closing Date), a 2006 ALTA Extended Owner's Policy of Title Insurance in favor of Buyer for the Real Property (a) showing fee title to the Real Property vested in Buyer, (b) with liability coverage in an amount equal to the Purchase Price, (c) with those endorsements that Seller agrees in a Seller's Response are to be issued as a condition to Buyer's obligation with respect to the Closing, and (d) containing no exceptions other than the Permitted Exceptions (the **"Owner's Title Policy"**). Notwithstanding the foregoing, the requirement for the issuance of extended coverage shall be subject to Buyer's delivery to Title Insurer of any required survey to enable the issuance of such extended coverage.

6.1.2 Seller's Due Performance. All of the representations and warranties of Seller set forth in this Agreement must be true and correct in all material respects as of the date such representations and warranties are made, and Seller, on or prior to the Closing Date, must have complied with and/or performed all of the obligations, covenants, and agreements required on the part of Seller to be complied with or performed pursuant to the terms of this Agreement on or prior to the Closing in all material respects.

6.1.3 Physical Condition of Property. Seller shall have not caused a material change in the physical condition of the Property in breach of this Agreement that Seller fails to remedy prior to the Closing. For avoidance of doubt, this condition shall not pertain to reasonable wear and tear or any change in the physical condition of the Property due to any act of Buyer or any of Buyer's Representatives.

6.1.4 Bankruptcy. There must not have been any action or proceeding commenced by or against Seller under the federal bankruptcy code or any state law for the relief of debtors or for the enforcement of the rights of creditors, and no outstanding attachment, execution, lien, or levy must have attached to or been issued with respect to Seller's interest in the Property or any portion thereof.

6.1.5 Possession. Subject to the Permitted Exceptions, the Post-Closing License, and the provisions of Section 14.21, Buyer shall receive sole and exclusive possession of the Property upon the Closing.

6.1.6 Legal Parcel. The Real Property constitutes one or more legal parcels under the California Subdivision Map Act (California Government Code Section 66411, *et seq.*).

6.1.7 Court Approval. The Court Approval condition of Section 4.5 has been satisfied and Buyer has received written notice, together with commercially reasonable documentary evidence thereof, as set forth in Section 4.5.

6.1.8 Litigation. There shall be no legal actions, governmental investigations, lawsuits, or other legal proceedings (other than tax appeals, proceedings, or protests) pending or threatened regarding the right of Seller to transfer title to the Property at Closing in accordance with the terms of this Agreement, nor any judgments, orders, awards, or decrees in effect against Seller with respect to the ownership or operation of the Property that have not been fully discharged prior to the Closing Date, other than the Court Approval.

For clarity, Buyer's receipt of the Governmental Approvals is not a condition to Closing.

6.2 Failure of Buyer's Closing Conditions. If any of Buyer's Closing Conditions described in Section 6.1 above has not been fulfilled within the applicable time periods, Buyer may:

6.2.1 Waive the unfulfilled Buyer's Closing Condition in writing (provided that Buyer's Closing Conditions set forth in Sections 6.1.6 and 6.1.7 cannot be waived) and close Escrow in accordance with this Agreement, without adjustment or abatement of the Purchase Price;

6.2.2 Extend the Closing (and the Outside Closing Date) until the tenth (10th) Business Day after Buyer's receipt of written notice and evidence that Buyer's Closing Conditions are satisfied, but said extension shall not extend the Closing longer than sixty (60) days beyond the originally scheduled Closing Date (nor extend the Outside Closing Date by more than sixty (60) days, as applicable); or

6.2.3 Terminate this Agreement by written notice to Seller and Escrow Agent, in which event (a) the Independent Consideration shall be retained by Seller, (b) the Deposit shall be immediately returned to Buyer, and (c) to the extent that the failure of any applicable Buyer's Closing Condition is caused by a Seller Default, Buyer shall be entitled to pursue its rights and remedies pursuant to the terms of Section 12.1. Notwithstanding the foregoing, if Buyer delivers a termination notice pursuant to this Section 6.2.3 and the failure of the applicable Buyer's Closing Condition was not caused by a Seller breach of this Agreement, then Seller shall have two (2) Business Days after Seller's receipt of such termination notice to deliver a written notice (an "**Extension Notice**") to Buyer and Escrow Agent extending the Closing Date (and the Outside Closing Date) for up to sixty (60) days in order for Seller to use good faith efforts to obtain the satisfaction of the unsatisfied Buyer's Closing Conditions (and Seller covenants to use such good faith efforts if it delivers an Extension Notice), during which period such termination notice shall not be effective. If Buyer delivers a termination notice pursuant to this Section 6.2.3 and Seller fails to deliver an Extension Notice within such two (2) Business Days' period (or if the failure of the applicable Buyer's Closing Condition was caused by a Seller breach of this Agreement), Seller shall be deemed to have waived any, and shall have no further, right to extend the Closing Date pursuant to this Section.

6.3 Seller's Closing Conditions. The obligation of Seller to complete the transaction contemplated by this Agreement is subject to the following conditions precedent (and conditions concurrent, with respect to deliveries to be made by Buyer at the Closing) (collectively, "**Seller's Closing Conditions**"), which conditions may be waived, or the time for satisfaction thereof extended, by Seller only in a writing executed by Seller:

6.3.1 Buyer's Due Performance. All of the representations and warranties of Buyer set forth in this Agreement must be true and correct in all material respects as of the date made, and Buyer, on or prior to the Closing Date, must have complied with and/or performed all of the obligations, covenants, and agreements required on the part of Buyer to be complied with or performed pursuant to the terms of this Agreement on or prior to the Closing in all material respects.

6.4 Failure of Seller's Closing Conditions. If any of Seller's Closing Conditions described in Section 6.3 above has not been fulfilled within the applicable time periods, Seller may:

6.4.1 Waive the unfulfilled Seller's Closing Condition in writing and close Escrow in accordance with this Agreement, without adjustment or abatement of the Purchase Price; or

6.4.2 Pursue its rights and remedies pursuant to the terms and conditions of Section 12.12.

7. CLOSING.

7.1 Closing Date [this provision and related provisions subject to negotiation in the event Buyer does not intend to seek Government Approvals]. Subject to the provisions of this Agreement, the Closing shall take place on or before the earlier of: (a) thirty (30) days following the receipt of the Governmental Approvals, or (b) the two (2) year anniversary of the Due Diligence Termination Date (the “**Outside Closing Date**”). As used herein, the following terms shall have the following meanings: (i) the “**Closing**” shall mean the recordation of the Deed(s) in the official records of the County (the “**Official Records**”); and (ii) the “**Closing Date**” shall mean the date upon which the Closing actually occurs. Notwithstanding the foregoing or anything to the contrary in this Agreement: (A) should the Closing deadline fall on a Friday or a day that is not a Business Day, the Closing shall automatically be extended to the following Business Day; and (B) if all of the Governmental Approvals have not been obtained by the Outside Closing Date, then Buyer may extend the Outside Closing Date on four (4) separate occasions by up to one hundred eighty (180) days for each such extension by providing written notice thereof to Seller and Escrow Agent not later than ten (10) days prior to the then scheduled Outside Closing Date and by depositing with Escrow Agent the sum of Five Hundred Thousand Dollars (\$500,000) (each, a “**Closing Extension Fee**”), in each case, on or before the then scheduled Outside Closing Date. Once Buyer has delivered the written extension notice and deposited with the Escrow Agent the applicable Closing Extension Fee, such Closing Extension Fee shall be non-refundable to Buyer, except in the event that this Agreement is terminated pursuant to Section 12.1 upon a Seller Default, and shall not be applicable to the Purchase Price at the Closing.

7.2 Deliveries by Seller. On or before the Closing Date, Seller, at its sole cost and expense, shall deliver or cause to be delivered into Escrow the following items, documents, and instruments, each dated as of the Closing Date, fully executed and, if appropriate acknowledged, and, if applicable, in proper form for recording. The documents listed in Section 7.2.1 through Section 7.2.7 are collectively referred to herein as the “**Closing Documents**”.

7.2.1 Deed. One or more Deeds conveying the Real Property to Buyer;

7.2.2 Non-Foreign Affidavit. A Non-Foreign Affidavit for each person, entity, and/or estate comprising Seller in the form attached hereto as Exhibit “C” (the “**Non-Foreign Affidavit**”);

7.2.3 General Assignment. A general assignment and bill of sale to Buyer in the form attached hereto as Exhibit “D” (the “**General Assignment**”);

7.2.4 Holdback Agreement. Three (3) counterparts of the Holdback Agreement;

7.2.5 Environmental Agreement. Two (2) counterparts of the Environmental Agreement;

7.2.6 Post-Closing License. Two (2) counterparts of a Post-Closing License in the form attached hereto as Exhibit “G” (the “**Post-Closing License**”), pursuant to which Seller, Seller’s Representatives, lessees, occupants, and vendors or other licensees of lessees, shall have access to the Land for up to thirty (30) days following Closing to remove from the Land personal property not constituting Tangible Property subject to this Agreement;

7.2.7 State Affidavit. A California state tax withholding certificate for each person, entity, and/or estate comprising Seller in accordance with the requirements of California Revenue and Taxation Code Section 18668 (California Form 593-C) (the “**State Affidavit**”);

7.2.8 Owner’s Affidavit. An owner’s affidavit or seller’s certificate duly executed by Seller in commercially reasonable form customarily required by title insurance companies in the County, in connection with the issuance of title insurance, to remove standard exceptions for mechanics liens, the gap period from the latest title update of Buyer’s title insurance commitment and parties in possession;

7.2.9 Proof of Authority. Such proof of Seller’s authority and authorization to enter into this Agreement and the transaction contemplated hereby, and such proof of the power and authority of the individual(s) executing or delivering any instruments, documents, or certificates on behalf of Seller to act for and bind Seller as may be reasonably required by Title Insurer, Escrow Agent, or Buyer; and

7.2.10 Other. Such other items, documents, and instruments as may be reasonably required by Buyer, Title Insurer, Escrow Agent, or otherwise in order to effectuate the provisions of this Agreement and the Closing and/or otherwise to fulfill the covenants and obligations to be performed by Seller at the Closing pursuant to this Agreement.

7.3 Deliveries by Buyer. On or before the Closing Date, Buyer, at its sole cost and expense, shall deliver or cause to be delivered into Escrow the following funds and the following items, documents, and instruments, each dated as of the Closing Date, fully executed and, if appropriate acknowledged, and, if applicable, in proper form for recording:

7.3.1 Purchase Price. Immediately available funds in an amount equal to the unpaid portion of the Purchase Price (less the Deposit) and all of Buyer’s share of the Closing Costs (as hereinafter defined), as adjusted for any pro-rations and credits provided for herein;

7.3.2 PCOR. A preliminary change of ownership report in the form required by the County;

7.3.3 Holdback Agreement. Three (3) counterparts of the Holdback Agreement;

7.3.4 Environmental Agreement. Two (2) counterparts of the Environmental Agreement;

7.3.5 Post-Closing License. Two (2) counterparts of the Post-Closing License;

7.3.6 Proof of Authority. Such proof of Buyer’s authority and authorization to enter into this Agreement and the transaction contemplated hereby, and such proof of the power and authority of the individual(s) executing or delivering any instruments, documents, or certificates on behalf of Buyer to act for and bind Buyer as may be reasonably required by Title Insurer, Escrow Agent, or Seller; and

7.3.7 Other. Such other items, documents, and instruments as may be reasonably required by Seller, Title Insurer, Escrow Agent, or otherwise in order to effectuate the provisions

of this Agreement and the Closing and/or otherwise to fulfill the covenants and obligations to be performed by Buyer at the Closing pursuant to this Agreement.

7.4 Actions by Escrow Agent. Provided that Escrow Agent has not received written notice from Buyer or Seller of the failure of any condition to the Closing or of the termination of the Escrow and this Agreement pursuant to the terms of this Agreement, when Buyer and Seller have deposited into Escrow the documents and funds required by this Agreement and Title Insurer is irrevocably and unconditionally prepared and committed to issue the Owner's Title Policy in accordance with the terms hereof, Escrow Agent shall, in the order and manner herein below indicated, take the following actions:

7.4.1 Recording. Cause the Deed(s) and any other documents customarily recorded and/or that the parties hereto may mutually direct to be recorded in the Official Records and obtain conformed copies thereof for distribution to Buyer and Seller.

7.4.2 Funds. Disburse all funds as follows:

7.4.2.1 Pursuant to the Closing Statement (as hereinafter defined), retain for Escrow Agent's own account all escrow fees and costs, disburse to Title Insurer the fees and expenses incurred in connection with the issuance of the Owner's Title Policy, and disburse to any other persons or entities entitled thereto the amount of any other Closing Costs and any other disbursements reflected on the Closing Statement;

7.4.2.2 Withhold out of the funds otherwise payable to Seller the Remediation Funds to be deposited into the escrow created under the Holdback Agreement and deposit said funds into such escrow;

7.4.2.3 Disburse to Seller an amount equal to the Purchase Price, less or plus the net debit or credit to Seller by reason of the prorations and allocations of Closing Costs and any other disbursements reflected on the Closing Statement or other adjustments provided for in this Agreement; and

7.4.2.4 Disburse to the party who deposited the same any remaining funds in the possession of Escrow Agent after the payments pursuant to Section 7.4.2.1 through Section 7.4.2.3 above have been completed.

7.4.3 Delivery of Documents. Deliver: (a) to Seller one original of each of the Holdback Agreement and the Environmental Agreement, and one copy of all other documents deposited into Escrow; and (b) to Buyer, (i) one original of all documents deposited into Escrow (other than the Deed(s) and the other documents recorded pursuant to the terms of this Agreement), and (ii) one conformed copy of each document recorded pursuant to the terms of this Agreement. Originals of any documents recorded at Closing shall be delivered after such recording to Buyer.

7.4.4 Owner's Title Policy. Cause Title Insurer to issue or be irrevocably and unconditionally prepared and committed to issue the Owner's Title Policy to Buyer.

7.5 Prorations.

7.5.1 Method of Proration. Taxes and assessments affecting the Property shall be prorated between Buyer and Seller as of the Closing Date based on a 365-day calendar year. All non-delinquent real property taxes and assessments on the Property shall be prorated based on the actual current tax bill, but if such tax bill has not yet been received by Seller by the Closing Date or if supplemental taxes and/or assessments are assessed after the Closing for the period prior to the Closing, the parties shall make any necessary adjustment after the Closing by cash payment to the party entitled thereto so that Seller shall have borne all real property taxes and/or assessments, including all supplemental taxes and/or assessments, allocable to the period prior to the Closing and Buyer shall bear all real property taxes and/or assessments, including all supplemental taxes and/or assessments, allocable to the period from and after the Closing. If any expenses attributable to the Property and allocable to the period prior to the Closing are discovered or billed after the Closing, the parties shall make any necessary adjustment after the Closing by cash payment to the party entitled thereto so that Seller shall have borne all expenses allocable to the period prior to the Closing and Buyer shall bear all expenses allocable to the period from and after the Closing. All improvement and special liens and assessments shall be paid in full by Seller at or before the Closing, subject to any proration set forth herein.

7.5.2 Survival. The obligations under this Section 7.5 shall survive the Closing and the delivery and recordation of the Deed(s) for the Property.

7.6 Closing Costs. Each party shall pay its own costs and expenses arising in connection with the Closing (including, without limitation, its own attorneys' and advisors' fees, charges, and disbursements), except the following costs (the "**Closing Costs**"), which shall be allocated between the parties as follows (in addition to any other costs and expenses specifically allocated to the parties elsewhere in this Agreement):

7.6.1 Escrow Agent's escrow fees and costs shall be paid one-half by Seller and one-half by Buyer;

7.6.2 The cost of the Owner's Title Policy attributable to standard coverage shall be paid by Seller;

7.6.3 The cost of the Owner's Title Policy attributable to extended coverage shall be paid by Buyer;

7.6.4 All County and City transfer taxes and fees (including, without limitation, documentary transfer taxes) shall be paid by Seller;

7.6.5 The cost of any endorsements to the Owner's Title Policy or other items required to be provided by Seller pursuant to Section 4.2.2 shall be paid by Seller, and the costs of any other endorsements to the Owner's Title Policy requested by Buyer shall be paid by Buyer; and

7.6.6 All recording fees and other closing fees and costs shall be charged to and paid by Seller and Buyer in accordance with Escrow Agent's customary practices in the County.

7.7 Closing Statement. At least five (5) Business Days prior to the Closing Date, Escrow Agent shall deliver to each of the parties for their review and approval a preliminary

closing statement (the “**Preliminary Closing Statement**”) setting forth: (a) the Purchase Price payable at Closing and the Deposit to be credited to Buyer; (b) the proration amounts allocable to each of the parties pursuant to Section 7.5; (c) the Closing Costs allocable to each of the parties pursuant to Section 7.6; and (d) any other costs and expenses to be paid directly to third parties pursuant to the approved Closing Statement. Based on each of the party’s comments, if any, regarding the Preliminary Closing Statement, Escrow Agent shall revise the Preliminary Closing Statement and deliver a final, signed version of the closing statement to each of the parties at the Closing (the “**Closing Statement**”).

7.8 Deliveries Outside of Escrow. Upon Closing, Seller shall deliver sole and exclusive possession of the Property to Buyer, subject only to the Permitted Exceptions, the Post-Closing License, and Section 14.21 below, and shall deliver to Buyer the Intangible Property, if any, including, without limitation, any original Property Materials (to the extent not previously delivered), and the Tangible Property. Any equipment, materials, and personal property remaining on any of the Real Property after the term of the Post-Closing License, insofar as Seller is concerned, shall be deemed abandoned and may be removed and disposed of by Buyer at its sole cost and expense. This Section 7.8 shall survive the Closing.

8. SELLER’S REPRESENTATIONS AND WARRANTIES.

8.1 Representations and Warranties. Seller represents and warrants to Buyer, as of the Agreement Date and as of the Closing Date, as follows, except that those representations and warranties that are expressly made as of the Agreement Date below shall be made only as of the Agreement Date:

8.1.1 Due Organization. Wells Fargo Bank, N.A. (or any duly appointed successor appointed after the Agreement Date) is the duly appointed special administrator of the Estate. The Linda Thomas Family Trust dated September 23, 2002, is a duly formed and existing trust and the duly designated and authorized trustee thereof is Linda L. Thomas, subject to any duly consummated change in the trustee that occurs and is communicated to Buyer after the Agreement Date (provided that no such change shall affect the validity of this Agreement as to the Linda Thomas Family Trust dated September 23, 2002). Area LLC is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of California.

8.1.2 Seller’s Authority; Validity of Agreements. As to the Estate, this Section 8.1.2 is subject to fulfillment of the Court Approval condition of Section 4.5 of this Agreement. Seller has full right, power, and authority to sell the Property to Buyer as provided in this Agreement and to carry out its obligations hereunder. The individual(s) executing this Agreement and the instruments referenced herein on behalf of Seller has/have the legal power, right, and actual authority to bind Seller to the terms hereof and thereof. This Agreement is, and all other instruments, documents and agreements to be executed and delivered by Seller in connection with this Agreement shall be, duly authorized, executed, and delivered by Seller and the valid, binding, and enforceable obligations of Seller (except as enforcement may be limited by bankruptcy, insolvency, or similar laws) and do not, and as of the Closing Date will not, result in any violation of, or conflict with, or constitute a default under, any provisions of any agreement of Seller or any mortgage, deed of trust, indenture, lease, security agreement, or other instrument, covenant, obligation, or agreement to which Seller or the Property is subject, or any judgment, law, statute,

ordinance, writ, decree, order, injunction, rule, ordinance, or governmental regulation or requirement affecting Seller or the Property.

8.1.3 Sole Owner. Seller is the sole owner of fee title to all of the Land.

8.1.4 No Third-Party Rights. Subject to the Thomas Oilers Leaseholds and except as disclosed in the Title Documents or set forth on Exhibit “H” attached hereto, to Seller’s knowledge there are no leases, occupancy agreements, unrecorded easements, licenses, or other agreements that grant third parties any possessory or usage rights to all or any part of the Property.

8.1.5 Litigation. As of the Agreement Date, except for matters pertaining or relating to the administration of the Estate that are pending in the Court and which will be resolved as to the Property and the transaction contemplated by this Agreement upon receipt of the Court Approval, to Seller’s knowledge, (a) there are no actions, investigations, suits, or proceedings (other than tax appeals, proceedings, or protests) pending or threatened that affect the Property, the ownership or operation thereof, or the ability of Seller to perform its obligations under this Agreement, and (b) there are no judgments, orders, awards, or decrees currently in effect against Seller with respect to the ownership or operation of the Property that have not been fully discharged prior to the Agreement Date.

8.1.6 Bankruptcy. There are no attachments, levies, executions, assignments for the benefit of creditors, receiverships, conservatorships, or voluntary or involuntary proceedings in bankruptcy, or any other debtor relief actions contemplated by Seller or filed by Seller, or to Seller’s knowledge, pending in any current judicial or administrative proceeding against Seller.

8.1.7 Violations of Environmental Laws. As part of the Property Materials, to Seller’s knowledge Seller has delivered to Buyer all of the information in Seller’s possession and/or control pertaining to: (a) any violation of any federal, state, or local law, ordinance, or regulation relating to industrial hygiene, worker health and safety, or to the environmental conditions in, at, on, under, or about the Real Property, including, but not limited to, soil and groundwater conditions (collectively, “**Environmental Laws**”), with respect to any of the Real Property; (b) the deposit of any Hazardous Substance (as hereinafter defined) on the Real Property; (c) any use, generation, manufacture, storage, or disposal in, at, on, or under the Real Property of any Hazardous Substance; and (d) any underground or above ground storage tanks or surface impoundments, any asbestos containing materials, or any polychlorinated biphenyls used in hydraulic oils, electrical transformers, or other equipment, in each case in, on, or under the Real Property. For purpose of this Agreement, the term “**Hazardous Substance**” shall be deemed to mean and include any wastes, materials, substances, pollutants, and other matters regulated by Environmental Laws.

8.1.8 No Default. Seller has not received written notice of any current outstanding default by Seller under the provisions of any deed of trust, mortgage, or other encumbrance, lien, or restriction that encumbers any of the Real Property and to Seller’s knowledge no such default exists. Seller shall pay all amounts when due with regard to the Real Property until Closing.

8.1.9 Wells/Underground Tanks. To Seller's knowledge and except as disclosed in the Property Materials or on Exhibit "H" attached hereto, there are no wells, drilling holes, wellheads, or underground storage tanks located on or under the Property.

8.1.10 Landfill/Waste Disposal Site. Seller has not used the Property and, to Seller's knowledge and except as disclosed in the Property Materials, the Property has never been used as a landfill, waste disposal site (including, without limitation, construction waste), or cemetery/burial site.

8.1.11 Property Materials. To Seller's knowledge, the Property Materials furnished by Seller to Buyer pursuant to this Agreement are true, accurate, and complete copies of the documents in Seller's possession (Seller making no representation as to the accuracy or completeness of the information contained therein) and Seller has not intentionally withheld any material information regarding the Property within Seller's possession or control.

8.1.12 OFAC. Seller is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of the Office of Foreign Asset Control ("**OFAC**") (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

8.2 Survival. All of the representations and warranties of Seller set forth in this Agreement shall be true upon the Agreement Date, shall be deemed to be repeated at and as of the Closing Date (except as and to the extent such representation and warranty is expressly made only as of the Agreement Date), and shall survive the delivery of the Deed and the Closing for a period of nine (9) months following the Closing (the "**Survival Period**"). Each such Seller representation and warranty shall automatically be null and void and of no further force and effect as of the day subsequent to the last day of the Survival Period unless, on or prior to the expiration of the Survival Period, Buyer shall have provided Seller with a written notice alleging that Seller is in breach of such representation and warranty and specifying in reasonable detail the nature of such breach. In such event, Buyer's sole remedy shall be to commence a legal proceeding against Seller alleging that Seller is in breach of such representation and warranty and that Buyer has suffered actual damages as a result thereof, which proceeding must be commenced, if at all, within ninety (90) days after the expiration of the Survival Period or such breach shall be deemed waived; provided that (a) Buyer shall not be entitled to assert a claim against Seller with respect to any breach of any such representation or warranty unless and until its damages in respect to all such breaches (including, without limitation, any attorneys' fees, court costs and disbursements) equals or exceeds Fifty Thousand and No/100 Dollars (\$50,000.00) in the aggregate (in which event Buyer will be entitled to assert a claim against Seller for all such damages from the first dollar) and (b) except in the case of fraud or intentional misrepresentation, Seller's aggregate liability for any and all claims arising out of Seller's breach of Seller's representations and warranties under this Agreement shall not exceed an amount equal to three percent (3%) of the Purchase Price, exclusive of any attorneys' fees, court costs and disbursements (which shall be in addition to such limitation). Seller shall not take any action, fail to take any required action within Seller's control, or willfully

allow or consent to any action that would cause any of Seller's representations and warranties to become untrue.

8.3 Notification Regarding Warranties. Seller shall notify Buyer in writing immediately if Seller discovers that any representation or warranty is untrue or misleading in any material respect. So long as the representation or warranty was true as of the Agreement Date and has become untrue other than as a result of the actions of Seller or any of Seller's Representatives (including, without limitation, consenting to any action) or the failure to take required actions within Seller's control, and the affected representation or warranty is set forth in any of Section 8.1.4, Section 8.1.5, Section 8.1.7, Section 8.1.9, Section 8.1.10, and Section 8.1.11, then: (a) if any such notification occurs prior to the Due Diligence Termination Date and Buyer delivers a Feasibility Notice, Buyer shall have been deemed to accept such updated representation or warranty and there shall be no breach; and (b) if any such notification occurs after the Due Diligence Termination Date, Buyer shall have twenty (20) days to terminate this Agreement (and the Closing and Outside Closing Date shall be extended as necessary to provide such period), with such termination treated as if Buyer terminated pursuant to Section 4.1.3, and if Buyer does not timely terminate this Agreement, Buyer shall have been deemed to accept such updated representation or warranty and there shall be no breach. Except as specifically provided herein, if a representation or warranty of Seller is untrue or misleading, Buyer may pursue its remedies under Section 12 below.

8.4 Qualifications to Seller's Representations and Warranties. Notwithstanding any contrary provision of this Agreement, (a) if Buyer delivers a Feasibility Notice, then Seller's representations and warranties set forth in this Agreement shall be qualified by and modified to reflect any information set forth in the Property Materials and any information actually known to an officer, principal or executive of Buyer (which shall include a manager if Buyer is a manager-managed LLC or a general partner if Buyer is a partnership) as of the Due Diligence Termination Date; and (b) if the Closing occurs, Seller's representations and warranties set forth in this Agreement shall be qualified by and modified to reflect any information actually known to an officer, principal or executive of Buyer (which shall include a manager if Buyer is a manager-managed LLC or a general partner if Buyer is a partnership) as of the Closing.

8.5 Seller's Knowledge. Any and all uses of the phrase "to Seller's knowledge" or other similar references or phrases to Seller's knowledge in this Agreement shall mean the actual knowledge as of the Agreement Date of any of [name of Wells Fargo employee], Linda Thomas, and/or [attorney-in-fact for Linda Thomas] (the "**Seller Knowledge Individual(s)**"), each without any investigation or inquiry. Without limiting the foregoing, Buyer acknowledges that the Seller Knowledge Individuals have not performed and are not obligated to perform any investigation or review of any files or other information in the possession, custody, or control of Seller, or to make any inquiry or to take any other actions in connection with the representations and warranties of Seller set forth in this Agreement. Neither the actual or present knowledge of any other individual or entity, nor the constructive knowledge of the Seller Knowledge Individuals or of any other individual or entity, shall be imputed to the Seller Knowledge Individuals. Buyer acknowledges that the individuals named above are named solely for the purpose of defining the scope of Seller's knowledge and not for the purpose of imposing any liability on or creating any duties running from such individual to Buyer. Buyer covenants that, except for Linda Thomas as an individual Seller, it will bring no claim, action, or lawsuit of any kind, in any circumstance, against such Seller

Knowledge Individuals arising out of or related in any way to these representations and warranties, and such covenant will survive the Closing indefinitely (provided that the foregoing shall not preclude naming Special Administrator, Linda Thomas and/or [attorney-in-fact for Linda Thomas] in their representative capacity, e.g., as trustee or as signatory pursuant to power of attorney, if required under applicable law in connection with a suit against a Seller party).

9. BUYER'S REPRESENTATIONS AND WARRANTIES.

9.1 Representations and Warranties. Buyer represents and warrants to Seller, as of the Agreement Date and as of the Closing Date, as follows:

9.1.1 Due Organization. Buyer is a [form of entity], duly [incorporated/organized], validly existing, and in good standing under the laws of [jurisdiction], and is duly qualified to transact business and is in good standing under the laws of the State of California. [Subject to modification if Buyer is an individual.]

9.1.2 Buyer's Authority; Validity of Agreements. Buyer has full right, power, and authority to purchase and acquire the Property from Seller as provided in this Agreement and to carry out its obligations hereunder. The individual(s) executing this Agreement and the instruments referenced herein on behalf of Buyer has/have the legal power, right, and actual authority to bind Buyer to the terms hereof and thereof. This Agreement is, and all instruments, documents, and agreements to be executed and delivered by Buyer in connection with this Agreement shall be, duly authorized, executed, and delivered by Buyer and shall be valid, binding, and enforceable obligations of Buyer (except as enforcement may be limited by bankruptcy, insolvency, or similar laws) and do not, and as of the Closing Date will not, violate any provision of any law, statute, ordinance, rule, regulation, agreement or judicial order to which Buyer is a party or to which Buyer is subject.

9.1.3 OFAC. Buyer is not, and will not become, a person or entity with whom United States persons or entities are restricted or prohibited from doing business under regulations of OFAC (including those named on OFAC's specially designated and blocked persons list) or under any statute, executive order (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

9.2 Survival. All of the representations and warranties of Buyer set forth in this Agreement shall be true upon the Agreement Date, shall be deemed to be repeated at and as of the Closing Date (except as otherwise set forth in writing to Seller) and shall survive the delivery of the Deed and the Closing.

10. AS-IS.

THE PARTIES HEREBY ACKNOWLEDGE AND AGREE AS FOLLOWS: (A) BUYER IS A SOPHISTICATED BUYER WHO IS FAMILIAR WITH THIS TYPE OF PROPERTY; (B) EXCEPT AS MAY BE SPECIFICALLY SET FORTH IN THIS AGREEMENT, THE DEED(S), AND/OR ANY OTHER DOCUMENT OR INSTRUMENT DELIVERED BY SELLER AT CLOSING (THE "**EXPRESS REPRESENTATIONS**"), NEITHER SELLER NOR ANY OF SELLER'S REPRESENTATIVES HAS MADE OR WILL

MAKE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY OR ANY MATTER RELATED TO THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE ENVIRONMENTAL CONDITION OF THE PROPERTY; AND (C) THE PROPERTY IS BEING SOLD TO BUYER IN ITS PRESENT "AS IS" CONDITION SUBJECT TO THE EXPRESS REPRESENTATIONS. SUBJECT TO THE EXPRESS REPRESENTATIONS AND THE TERMS HEREOF, BUYER WILL BE AFFORDED THE OPPORTUNITY TO MAKE ANY AND ALL INSPECTIONS OF THE PROPERTY AND SUCH RELATED MATTERS AS BUYER MAY REASONABLY DESIRE AND, ACCORDINGLY, SUBJECT TO THE EXPRESS REPRESENTATIONS, BUYER WILL RELY SOLELY ON ITS OWN DUE DILIGENCE AND INVESTIGATIONS IN PURCHASING THE PROPERTY.

Without limiting this Section 10, Seller and Buyer acknowledge that the Disclosure Statutes (as defined below) provide that a seller of real property must make certain disclosures regarding certain natural hazards potentially affecting the property, as more particularly provided therein. As used in this Agreement, "**Disclosure Statutes**" means, collectively, California Government Code Sections 8589.3, 8589.4 and 51183.5, California Public Resources Code Sections 2621.9, 2694, and 4136 and any other statutes that require Seller to make disclosures concerning the Property. Buyer acknowledges that the Real Property may be located in an earthquake fault zone and/or special hazard flood area. Escrow Agent shall obtain and provide to Buyer a Natural Hazard Disclosure Report for the Property (the "**Report**"). Buyer hereby agrees as follows with respect to the Disclosure Statutes and the Report: (i) the delivery of the Report to Buyer shall be deemed to satisfy all obligations and requirements of Seller under the Disclosure Statutes; (ii) Seller shall not be liable for any error or inaccuracy in, or omission from, the information in the Report; and (iii) the Report is being provided for purposes of complying with the Disclosure Statutes and shall not be deemed to constitute a representation or warranty by Seller as to the presence or absence in, at, or around the Property of the conditions that are the subject of the Disclosure Statutes. Notwithstanding any contrary provision hereof, Buyer hereby knowingly, voluntarily and intentionally waives its right to disclosure under the Disclosure Statutes. 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. Seller and Buyer acknowledge that the compensation to be paid to Seller for the Property takes into account that the Property is being sold subject to the provisions of this Section 10. Seller and Buyer agree that the provisions of this Section 10 shall survive the Closing.

Buyer acknowledges that Seller has informed Buyer that the sole inquiries and investigations Seller conducted in connection with the environmental condition of the Property are described in the Property Materials and, assuming the accuracy of such information, Buyer agrees that, for purposes of California Health and Safety Code Section 25359.7, Seller has acted reasonably in relying upon said inquiries and investigations, and the delivery of this Agreement constitutes written notice to Buyer under such code section. Buyer (a) acknowledges Buyer's receipt of the foregoing notice given pursuant to Section 25359.7 of the California Health and Safety Code and the fact that Buyer will, prior to the Due Diligence Termination Date, have the opportunity to make itself fully aware of the matters described in the Property Materials; and (b) after receiving advice of Buyer's legal counsel, waives any and all rights Buyer may have to assert

that Seller has not complied with the requirements of Section 25359.7 of the California Health and Safety Code.

If the Closing is consummated, then except for any claims arising out of any breach of the Express Representations and except for the Excluded Matters (as defined below), Buyer, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges Seller and all of Seller's Representatives from any and all rights, claims, and demands at law or in equity, whether direct or indirect, known or unknown, foreseen or unforeseen, which Buyer now has or may have in the future, arising out of or relating to any matter or thing related to the Property, including, without limitation, the documents and information referred to herein, the physical, environmental, economic or legal condition of the Property, including, without limitation, 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 other Environmental Laws or any claim pertaining to compliance with the requirements of Section 25359.7 of the California Health and Safety Code, or any other federal, state and local, statutes, ordinances, orders, rules, regulations, guidance documents, judgments, governmental authorizations, or any other requirements of governmental authorities, as may presently exist, or as may be amended or supplemented, or hereafter enacted, relating to the presence, release, generation, use, handling, treatment, storage, transportation or disposal of Hazardous Substances, or the protection of the environment or human, plant or animal health. With respect to the waiver and release set forth herein relating to unknown and unsuspected claims, Buyer hereby acknowledges that such waiver and release is being made after obtaining the advice of counsel of Buyer's choosing and with full knowledge and understanding of the consequences and effects of such waiver, and that such waiver is made with the full knowledge, understanding and agreement that California Civil Code Section 1542 provides as follows, and that the protections afforded by said code section are hereby waived:

“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.”

The foregoing waiver and release shall be deemed to be restated and made again as of the Closing.

Buyer's initials

Notwithstanding the foregoing, none of the foregoing disclaimers or releases are intended to apply to and be binding with respect to, nor shall they apply to, any matter to the extent arising from or relating to any of the following (collectively, the “**Excluded Matters**”): (a) Seller's failure to perform or comply with any of its obligations or covenants under this Agreement or any other document delivered by Seller at Closing; or (b) Seller's Express Representations; or (c) the fraud

or willful misconduct of Seller and/or any of Seller's Representatives; or (d) third party claims based on Seller's breach of any agreement between Seller and any third party; or (e) third party claims for personal injury, death, or property damage for matters that do not pertain to environmental contamination and that occurred (or arose from events or circumstances that occurred) prior to Closing and were not caused by Buyer or any of Buyer's Representatives.

11. RISK OF LOSS.

11.1 Condemnation. If, prior to Closing, all or any portion of the Land or Improvements is taken by condemnation or eminent domain (or is the subject of a pending or contemplated taking which has not been consummated) (a "**Taking**"), Seller shall promptly notify Buyer of such fact upon Seller receiving notice thereof. In the event of a Material Taking (as defined below), Buyer shall have the option to terminate this Agreement upon written notice to Seller given within sixty (60) days after receipt of such notice from Seller, in which event the Deposit shall be immediately returned to Buyer. If Buyer does not timely deliver such termination notice, then Buyer shall be deemed to have waived the right to terminate the Agreement for such Material Taking. In no event shall a Material Taking include a Taking that arises in connection with Buyer's proposed development of the Real Property. Prior to any termination of this Agreement under this Section 11.1, Buyer shall have the right to participate in any proceedings and negotiations with respect to the Taking and any transfer in lieu of Taking (and Seller shall not consummate any transfer in lieu of Taking without Buyer's prior written consent). If there is a Taking that is not a Material Taking or Buyer waives the right to terminate this Agreement with respect to a Material Taking, then (a) at the Closing Seller, at, and as a condition precedent to Buyer's obligation to proceed with, the Closing, must: (i) pay to Buyer (or direct Escrow Agent to credit Buyer against the Purchase Price for) the amount of all awards for the Taking (and any consideration for any transfer in lieu of Taking) actually received by Seller prior to Closing; and (ii) assign to Buyer by written instrument reasonably satisfactory to Buyer all rights or claims to any future awards for the Taking (and any consideration for any transfer in lieu of Taking); and (b) the parties shall proceed to the Closing pursuant to the terms hereof without further modification of the terms of this Agreement. The provisions of this Section 11.1 supersede any law governing the effect of condemnation in contracts for real property, including, without limitation, California Civil Code Section 1662. A "**Material Taking**" is any Taking that involves ten percent (10%) or more of the Land or that would be reasonably likely to adversely affect the access, timing or cost to entitle or develop, and/or marketability of the residential subdivision contemplated by the Governmental Approvals sought or obtained, as applicable, by Buyer; provided that a temporary taking of the Land by condemnation or eminent domain that terminates prior to Closing or within ninety (90) days after the Closing shall not constitute a Material Taking under this Agreement, nor entitle Buyer to terminate this Agreement, and the Closing shall proceed as set forth in this Agreement notwithstanding such temporary taking, with each party having the right to receive and retain the portion of any award for such temporary taking that pertains to its period of ownership.

11.2 Casualty. If, prior to the Closing, any portion of the Land or Improvements is damaged as a result of any earthquake, hurricane, tornado, flood, sinkhole, landslide, fire, or other casualty, Seller shall reasonably promptly notify Buyer of such fact. If such damage materially adversely affects the proposed development of the Real Property for residential development purposes in accordance with the Governmental Approvals pursued by Buyer (a "**Termination Casualty**"), then Buyer shall have the option to terminate this Agreement upon written notice to

Seller given within sixty (60) days after receipt of any such notice from Seller, in which event the Deposit shall be immediately returned to Buyer. If Buyer does not notify Seller in writing of its termination of the Agreement within such sixty (60) day period, then Buyer shall be deemed to have waived the right to terminate the Agreement. Prior to any termination of this Agreement, Buyer shall have the right to participate in any adjustment of the insurance claim. In the case of either a casualty that is not a Termination Casualty or a Termination Casualty in which Buyer is deemed to have waived the right to terminate this Agreement, (a) Seller, at, and as a condition precedent to Buyer's obligation to proceed with, the Closing, shall either: (i) pay to Buyer at Closing (or direct Escrow Agent to credit Buyer against the Purchase Price for) the amount of any insurance proceeds actually received by Seller for the casualty damage to the Real Property; or (ii) if no insurance proceeds have been received by Seller, assign to Buyer by written instrument reasonably satisfactory to Buyer all rights or claims to the insurance proceeds under Seller's insurance policy for the casualty damage to the Real Property; and (b) the parties shall proceed to the Closing pursuant to the terms hereof without further modification of the terms of this Agreement. Notwithstanding any contrary provision hereof, Seller shall be entitled to receive any rental loss proceeds attributable to the period prior to the Closing and Buyer shall have the right to receive any rental loss proceeds attributable to the period after the Closing. The provisions of this Section 11.2 supersede any law governing the effect of fire or other casualty in contracts for real property, including, without limitation, California Civil Code Section 1662.

12. REMEDIES.

12.1 Default by Seller. If Seller breaches any of the material terms or provisions of this Agreement in any material respect at or prior to Closing, and Seller fails to cure such breach within ten (10) days after Buyer provides Seller and Escrow Agent with written notice thereof (a "**Seller Default**"), and provided Buyer is not then in default, then Buyer may, as Buyer's sole remedies for such failure, but without limiting Buyer's right to recover attorneys' fees pursuant to Section 14.14 below: (a) waive the effect of such matter and proceed to consummate this transaction; (b) terminate this Agreement and receive a full refund of the Deposit and each Closing Extension Fee; or (c) proceed with an action against Seller for specific performance within sixty (60) days after the Seller Default; provided, however, that if the remedy of specific performance is not available because title to the Property cannot be conveyed to Buyer due to Seller's transfer of the Property to another party in breach of this Agreement, Seller's failure to protect its interests in the Property such that said interests are conveyed pursuant to judicial order or applicable law (e.g., foreclosure or a mortgage or a trustee's sale under a deed of trust), or any encumbrance of the Property arising out of Seller's action that Seller does not remedy in accordance with the requirements of this Agreement, then Buyer shall be entitled to bring an action against Seller for any damages suffered or incurred by Buyer as a result of the Seller Default. Nothing contained in this Section shall limit or prevent Buyer from enforcing Seller's obligations and liabilities and/or Buyer's rights under this Agreement that survive Closing or the termination of this Agreement in accordance with and subject to the other terms and provisions of this Agreement, as applicable, or that are in any other agreement executed by Buyer and Seller at Closing.

12.2 Default by Buyer. IF ON OR BEFORE THE CLOSING BUYER BREACHES ANY OF THE MATERIAL TERMS OR PROVISIONS OF THIS AGREEMENT IN ANY MATERIAL RESPECT AND BUYER FAILS TO CURE SUCH BREACH WITHIN TEN (10) DAYS AFTER SELLER PROVIDES BUYER AND ESCROW AGENT WITH WRITTEN

NOTICE THEREOF (A “**BUYER DEFAULT**”), AND PROVIDED SELLER IS NOT THEN IN DEFAULT, THEN SELLER MAY WAIVE SUCH BREACH AND PROCEED TO CONSUMMATE THIS TRANSACTION IN ACCORDANCE WITH THE TERMS HEREOF, OR SELLER MAY, AS ITS EXCLUSIVE REMEDY, TERMINATE THIS AGREEMENT AND RETAIN THE DEPOSIT AND EACH CLOSING EXTENSION FEE ACTUALLY DEPOSITED INTO ESCROW AS LIQUIDATED DAMAGES AND AS CONSIDERATION FOR THE ACCEPTANCE OF THIS AGREEMENT AND FOR TAKING THE PROPERTY OFF THE MARKET, AND NOT AS A PENALTY. BUYER AND SELLER HAVE DETERMINED AND HEREBY AGREE THAT IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, TO ASCERTAIN WITH ANY DEGREE OF CERTAINTY THE AMOUNT OF DAMAGES THAT WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ANY OF ITS OBLIGATIONS IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT, AND THE PARTIES AGREE THAT A REASONABLE ESTIMATE OF SUCH DAMAGES UNDER THE CIRCUMSTANCES IS AN AMOUNT EQUAL TO THE DEPOSIT AND EACH CLOSING EXTENSION FEE ACTUALLY DEPOSITED INTO ESCROW. ACCORDINGLY, BUYER AND SELLER AGREE THAT IN THE EVENT OF A BUYER DEFAULT, SELLER MAY RETAIN THE DEPOSIT AND EACH CLOSING EXTENSION FEE ACTUALLY DEPOSITED INTO ESCROW AS LIQUIDATED DAMAGES. THE PAYMENT AND RETENTION 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. THE FOREGOING IS NOT INTENDED TO PERTAIN TO OR LIMIT BUYER’S LIABILITY FOR ANY BREACH OCCURRING AFTER THE CLOSING, OR FOR INDEMNITY OBLIGATIONS OF BUYER EXPRESSLY SET FORTH IN THIS AGREEMENT (FOR WHICH SELLER SHALL HAVE ALL RIGHTS AND REMEDIES AVAILABLE AT LAW OR IN EQUITY WITH RESPECT TO SUCH OBLIGATIONS) OR THE ENVIRONMENTAL AGREEMENT (FOR WHICH SELLER SHALL HAVE THE RIGHTS AND REMEDIES SET FORTH THEREIN).

IF SELLER TERMINATES THIS AGREEMENT PURSUANT TO A RIGHT GIVEN TO IT HEREUNDER AND BUYER TAKES ANY ACTION, OTHER THAN AS PERMITTED UNDER APPLICABLE LAW IN CONNECTION WITH A GOOD FAITH DISPUTE, WHICH INTERFERES WITH SELLER’S ABILITY TO SELL, EXCHANGE, TRANSFER, LEASE, DISPOSE OF OR FINANCE THE PROPERTY OR TAKE ANY OTHER ACTION WITH RESPECT THERETO (INCLUDING, WITHOUT LIMITATION, THE FILING OF ANY LIS PENDENS OR OTHER FORM OF ATTACHMENT AGAINST THE PROPERTY THAT BUYER DOES NOT HAVE THE RIGHT TO FILE UNDER APPLICABLE LAW), THEN NOTWITHSTANDING THE PARAGRAPH IMMEDIATELY ABOVE, SELLER’S REMEDIES SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO, THOSE DESCRIBED IN THE PARAGRAPH IMMEDIATELY ABOVE, AND THE NAMED BUYER (AND ANY PERMITTED ASSIGNEE OF BUYER’S INTEREST HEREUNDER) SHALL ALSO BE LIABLE FOR ALL LOSS, COST, DAMAGE, LIABILITY OR EXPENSE (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS’ FEES, COURT COSTS AND DISBURSEMENTS AND CONSEQUENTIAL DAMAGES) INCURRED BY SELLER BY REASON OF SUCH ACTION BY BUYER.

Seller's Initials

Buyer's Initials

12.3 Extraordinary Damages. Notwithstanding any contrary provision of this Agreement, in no event shall either party shall have any liability to the other party for incidental, special, exemplary, consequential, or punitive damages in connection with any matter under this Agreement (it being understood that each party has waived the right to obtain incidental, special, exemplary, consequential, or punitive damages in connection with this Agreement).

13. BROKERS.

Each of Buyer and Seller hereby represents and warrants to and agrees with each other that it has not had, and shall not have, any dealings with any third party to whom the payment of any broker's fee, finder's fee, commission, or other similar compensation ("**Commission**") shall or may become due or payable in connection with the transaction contemplated hereby, other than Greg Sullivan of CBRE, Inc. (the "**Broker**") representing Seller. Seller shall pay any Commission due and payable to the Broker in connection with the transaction contemplated by this Agreement pursuant to its separate agreement with the Broker, and Buyer shall have no obligation whatsoever with respect thereto. Each of Buyer and Seller shall execute, and shall cause any broker engaged by such party to execute, any broker lien waiver affidavit reasonably requested by the Title Insurer. Seller shall indemnify, defend, protect, and hold Buyer harmless for, from, and against any and all Claims incurred by Buyer by reason of any breach or inaccuracy of the representation, warranty, and agreement of Seller contained in this Section. Buyer shall indemnify, defend, protect, and hold Seller harmless from and against any and all Claims incurred by Seller by reason of any breach or inaccuracy of the representation, warranty, and agreement of Buyer contained in this Section. The provisions of this Section shall survive the Closing or earlier termination of this Agreement. Seller acknowledges that certain principals, affiliates, officers, and employees of Buyer may be licensed real estate brokers and/or salespersons in the State of California. [Subject to modification if Buyer has used a broker.]

14. MISCELLANEOUS PROVISIONS.

14.1 Governing Law; Venue. This Agreement and the legal relations between the parties hereto shall be governed by, and construed and enforced in accordance with, the laws of the State of California, without regard to its principles of conflicts of law. Venue for any action brought to interpret or enforce this Agreement shall be any applicable state or federal court located in the County.

14.2 Entire Agreement. This Agreement, including the exhibits attached hereto (each of which is incorporated herein by this reference), constitutes the entire agreement between Buyer and Seller pertaining to the subject matter hereof and supersedes all prior agreements, understandings, letters of intent, term sheets, negotiations, and discussions, whether oral or written, of the parties, and there are no warranties, representations, or other agreements, express or implied, made to either party by the other party in connection with the subject matter hereof except as specifically set forth herein or in the Closing Documents executed and delivered by the parties at Closing pursuant to this Agreement.

14.3 Modification; Waiver. No supplement, modification, waiver, or termination of this Agreement shall be binding unless executed in writing by the party(ies) to be bound thereby. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

14.4 Notices. All notices, consents, requests, reports, demands or other communications hereunder (collectively, “**Notices**”) shall be in writing and may be given personally, by U.S. certified mail (return receipt requested), by electronic mail (but only if an email is provided for such party below and a copy of thereof is transmitted within 1 Business Day via one of the other delivery methods specified herein; provided that such additional copy shall not be required if the party addressed confirms receipt of the electronic mail), by courier, or by FedEx (or other reputable overnight delivery service) for overnight delivery, as follows:

To Seller: [Insert notice information]

With Copies To: [Insert notice information]

To Buyer: [Insert notice information]

With A Copy To: [Insert notice information]

To Escrow Agent: [Insert notice information]

or to such other address or such other person as the addressee party shall have last designated by Notice to the other party and Escrow Agent (in each instance, so long as such address is located in the United States of America). Each Notice shall be deemed to have been delivered, given, and received for all purposes as of the date so delivered, at the applicable address (so long as delivery is evidenced by the customary courier or U.S. mail receipt); provided that (a) Notices received on a day that is not a Business Day shall be deemed received on the next Business Day and (b) Notices by electronic mail shall be deemed delivered on the date sent to the e-mail of the intended recipient as set forth in this Agreement (as evidenced by the senders “sent mail” mailbox and by the absence of a delivery failure message in the sender’s “inbox”) if sent or transmitted prior to 5:00 p.m. on a Business Day, or otherwise on the next succeeding Business Day. Upon request, a recipient shall confirm receipt of a Notice sent by electronic mail. Notice to a party shall not be effective unless and until each required copy of such Notice specified above (or as the parties may from time to time specify by notice in accordance with this Section) is given. The inability to deliver a Notice because of a changed address of which no Notice was given, or any rejection or other refusal to accept any Notice, shall be deemed to be the receipt of the Notice as of the date of such inability to deliver or rejection or refusal to accept. Any telephone numbers set forth above are provided for convenience only and shall not alter the manner of giving Notice set forth in this Section. Any Notice to be given by any party hereto may be given by legal counsel for such party. Notwithstanding the foregoing, if no email address is provided for a party above, then the date for delivery shall be extended by the number of days to effectuate alternate delivery of Notice so long as the Notice was transmitted on the date due.

14.5 Expenses. Subject to the provision for payment of the Closing Costs in accordance with the terms of Section 7.6 of this Agreement and of any other provision of this Agreement, whether or not the transaction contemplated by this Agreement shall be consummated, all fees and expenses incurred by any party hereto in connection with this Agreement shall be borne by such party.

14.6 Severability. Any provision or part of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall, as to such situation and such jurisdiction, be ineffective only to the extent of such invalidity and shall not affect the enforceability of the remaining provisions hereof or the validity or enforceability of any such provision in any other situation or in any other jurisdiction.

14.7 Successors and Assigns. All of the parties' rights, duties, benefits, liabilities, and obligations under this Agreement shall inure to the benefit of, and be binding upon, their respective successors and permitted assignees of this Agreement. Except as provided in Section 14.17, neither party may assign its rights or delegate its obligations hereunder (excluding any assignment due to death, disability or other operation of law) without the prior written consent of the other party, which consent may be withheld in such party's sole and absolute discretion. Notwithstanding the foregoing, prior to the Closing on not less than five (5) Business Days' prior written notice to Seller, but without obtaining Seller's prior written consent, Buyer may assign this Agreement and its rights and obligations hereunder (including having such assignee be the Buyer entity under the Closing Documents to be executed and delivered by Buyer at Closing) to: (a) a corporation, partnership, limited liability company or other entity that (i) controls, is controlled by, or under common control with Buyer or Buyer's parent company (including, without limitation, any partnership in which a general partner is, or any limited liability company whose manager, managing member, administrative member, or majority member is, Buyer or Buyer's parent company, or is controlled by or under common control with Buyer or Buyer's parent company), or (ii) results from the merger or consolidation with Buyer; (b) to a "landbanker" pursuant to a "landbanking" transaction in which the "landbanker" holds the Property as security or pursuant to an option agreement or purchase agreement or similar arrangement whereby Buyer has the right to acquire the Property from such landbanker; or (c) a partnership, limited liability company, or other joint venture company between Buyer and (i) one or more of the legal entities described in subparagraph (a), and/or (ii) and/or an institutional or other investor or group of investors that is one of Buyer's landbanking entities, or a partnership, limited liability company, or corporation that is wholly-owned, directly or indirectly, by such investor(s). None of the representations or warranties made by Seller hereunder shall inure to the benefit of any person or entity that may, after the Closing Date, succeed to Buyer's interest in the Property.

14.8 Counterparts; Electronic Signature. This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument. The parties agree that they may reflect and confirm their agreement to be bound hereby, and their execution and delivery of this Agreement, by transmitting a signed copy hereof by email in .pdf to Escrow Agent, the other party hereto, and to the persons entitled to copies of notices to such recipient pursuant to this Agreement. Alternatively, they may email in .pdf or fax to such persons only the signature page of this Agreement and any pages that have been modified from the form of this Agreement either (a)

received by the faxing or emailing party from the other party or its attorneys, or (b) transmitted by the faxing or emailing party (or its attorney) to the other party hereto (in either such circumstance, the “**Original Proposed Document**”), which act shall constitute their representation and warranty that, except as reflected in such transmission, the transmitting party has executed this Agreement without change from the Original Proposed Document. The parties agree that the use of any electronic signature (including www.docuSign.com), or the use of email or other similar transmission method as a means to deliver a signature to this Agreement or any amendment hereto shall have the same effect as an original, and neither party shall raise same as a defense to the formation or enforceability of a contract and each party forever waives any such defense.

14.9 Multiple Parties. If Seller defaults or is in breach of any of the terms of this Agreement, then all of the persons and entities comprising Seller shall be jointly and severally liable for the performance and/or satisfaction of Seller’s obligations under this Agreement.

14.10 Headings. The Section and subsection headings of this Agreement are for convenience of reference only and shall not be deemed to modify, explain, restrict, alter, or affect the meaning or interpretation of any provision hereof.

14.11 Time of Essence. Time shall be of the essence with respect to all matters contemplated by this Agreement.

14.12 Further Assurances. In addition to the actions recited herein and contemplated to be performed, executed, and/or delivered by Seller and Buyer, Seller and Buyer agree to perform, execute, and/or deliver or cause to be performed, executed, and/or delivered at the Closing or after the Closing any and all such further acts, instruments, deeds, and assurances as may be reasonably required to consummate the transaction contemplated hereby.

14.13 Construction. As used in this Agreement, the masculine, feminine, and neuter gender and the singular or plural shall each be construed to include the other whenever the context so requires. This Agreement shall be construed as a whole and in accordance with its fair meaning, without regard to any presumption or rule of construction causing this Agreement or any part of it to be construed against the party causing the Agreement to be written. The parties acknowledge that each has had a full and fair opportunity to review the Agreement and to have it reviewed by counsel. If any words or phrases in this Agreement have been stricken, whether or not replaced by other words or phrases, this Agreement shall be construed (if otherwise clear and unambiguous) as if the stricken matter never appeared and no inference shall be drawn from the former presence of the stricken matters in this Agreement or from the fact that such matters were stricken. The parties waive the provisions of California Civil Code section 1654, which provides, in pertinent part, that “the language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.”

14.14 Attorneys’ Fees. If either party hereto brings an action or proceeding against the other party to enforce or interpret any of the covenants, conditions, agreements, or provisions of this Agreement, then the prevailing party in such action or proceeding shall be entitled to recover all costs and expenses of such action or proceeding, including, without limitation, attorneys’ fees, charges, disbursements, and the fees and costs of expert witnesses. If any party secures a judgment in any such action or proceeding, then any costs and expenses (including, but not limited to,

attorneys' fees and costs) incurred by the prevailing party in enforcing such judgment, or any costs and expenses (including, but not limited to, attorneys' fees and costs) incurred by the prevailing party in any appeal from such judgment in connection with such appeal shall be recoverable separately from and in addition to any other amount included in such judgment. The preceding sentence is intended to be severable from the other provisions of this Agreement, and shall survive and not be merged into any such judgment.

14.15 Business Day. As used herein, the term "**Business Day**" means a day that is not a Saturday, Sunday, or a day on which nationally chartered commercial banks in the State of California are authorized or required by applicable law to close. If the date for the performance of any covenant or obligation under this Agreement shall fall on a day that is not a Business Day, the date for performance thereof shall be extended to the next Business Day. Similarly, if the day for the performance of any covenant or obligation under this Agreement involving Escrow Agent shall fall on a Business Day on which Escrow Agent is closed for business to the public, the date for performance thereof shall be extended to the next Business Day on which Escrow Agent is open for business to the public.

14.16 Jury Trial Waiver. AS A MATERIAL PART OF THE CONSIDERATION UNDER THIS AGREEMENT, AND TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW, EACH OF SELLER AND BUYER KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION OR LEGAL PROCEEDING BASED UPON OR ARISING DIRECTLY, INDIRECTLY, OR OTHERWISE IN CONNECTION WITH, OUT OF, RELATED TO OR FROM THIS AGREEMENT INCLUDING, BY WAY OF EXAMPLE BUT NOT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, VERBAL OR WRITTEN STATEMENTS, OR ACTS OR OMISSIONS OF EITHER PARTY WHICH IN ANY WAY RELATE TO THIS AGREEMENT. SELLER AND BUYER HAVE SPECIFICALLY DISCUSSED AND NEGOTIATED FOR THIS WAIVER AND UNDERSTAND THE LEGAL CONSEQUENCES OF IT.

14.17 Section 1031 Exchange. Seller may consummate the sale of the Property as part of a like-kind exchange (an "**Exchange**") intended to qualify under § 1031 of the Internal Revenue Code of 1986, as amended, and Buyer shall reasonably cooperate with Seller in connection with therewith, provided that: (a) Seller's obligations and Buyer's rights hereunder shall not be affected by reason of an Exchange; (b) the Closing shall not be delayed or affected by reason of an Exchange; (c) Buyer shall not be required to incur any additional expense as a result of the Exchange (and Seller shall pay for any such additional expense as a condition precedent to any Exchange) and/or to take an assignment of the agreement relating to the exchange property or be required to acquire or hold title to any real property for purposes of consummating an Exchange; (d) Buyer shall have the right to review and reasonably approve any documents to be executed by Buyer in connection with an Exchange; and (e) Seller acknowledges and agrees that Buyer does not make, and hereby disclaims, any representation or warranty whatsoever as to whether or not any such transaction will qualify under § 1031 of the Internal Revenue Code of 1986, as amended, and Buyer shall have no liability whatsoever with respect thereto. Seller acknowledges and agrees that if, in connection with any such exchange, the exchangor is intended to be or designated in any way as a transferor of any portion of the Property to Buyer, then each of Seller and the exchangor shall be required to execute, acknowledge, and deliver a Non-Foreign Affidavit at Closing.

14.18 No Recordation. Neither this Agreement nor any memorandum hereof may be recorded without first obtaining Seller's written consent thereto, which consent may be withheld in Seller's sole and absolute discretion, except in the event of a Seller Default prior to Closing for which Buyer elects to pursue the remedy of specific performance in accordance with Section 12.1 above, in which event Buyer shall be free to record a lis pendens in connection with such action for specific performance.

14.19 Confidentiality; Press Releases.

14.19.1 Confidentiality. Buyer shall maintain as confidential, and shall cause all of Buyer's Representatives to maintain as confidential, the Property Materials and any and all information relating to Seller or the Property (including, without limitation: (i) tenants, leases (current or proposed), and rents of the Real Property; (ii) the physical condition, maintenance procedures, deferred maintenance, and structural issues of the Real Property; and (iii) the management of the Property), and shall not disclose such material or information to any person or entity without the prior written consent of Seller, except for (a) such disclosures to Buyer's Representatives, any lenders, potential joint venture partners and their respective directors, officers, affiliates, agents, employees, consultants, attorneys, inspectors, appraisers, engineers and contractors, in each case, on a "need to know basis" in connection with Buyer's diligence activities, pursuit of the Governmental Approvals, and/or consummation of the transactions contemplated by this Agreement; and/or (b) to Governmental Authorities in connection with Buyer's diligence activities and/or pursuit of the Governmental Approvals. In the event Buyer is requested or becomes legally compelled (by oral questions, interrogatories, request for information or documents, subpoena, criminal or civil investigative demand or other process) to disclose any information required to be held confidential hereunder, Buyer shall, to the extent it is allowed / legally permissible, promptly notify Seller prior to Buyer making any disclosure so that Seller may seek to obtain, in accordance with applicable law, confidential treatment of the applicable material or information. Unless Seller obtains a protective order precluding such disclosure, Buyer may furnish any such information that, in the opinion of its counsel, is required to be disclosed. Notwithstanding anything in this Section 14.19 to the contrary, neither Buyer nor any of Buyer's Representatives shall have any obligation under this Section 14.19 with respect to, and the confidentiality provisions herein shall not include or apply to, any information or materials that: (i) are or become generally available to the public other than as a result of a disclosure by the Buyer or Buyer's Representatives in violation of this Section 14.19 (including, without limitation, any information filed with the Court or otherwise disclosed in connection with seeking the Court Approval unless filed under seal or subject to a protective order such that it is not generally available), or (ii) was within the possession of Buyer or any of Buyer's Representatives prior to being disclosed by Seller; or (iii) is or becomes available to the Buyer or Buyer's Representatives on a non-confidential basis from a source other than the Seller, Seller's Representatives, or CBRE, provided that such source is not known by the Buyer to be bound by a confidentiality agreement with or other contractual, legal, or fiduciary obligation of confidentiality to the Seller with respect to such information; or (iv) was or is hereafter independently developed by Buyer or any of the Buyer's Representatives without use or reference to such information or materials. Prior to allowing any of Buyer's Representatives to access information and materials that are subject to this Section 14.19, Buyer shall inform any such parties of the confidentiality restrictions contained in this Agreement and shall direct such parties to treat all confidential or proprietary information with strict confidence in accordance with the terms of this Agreement.

14.19.2 Press Releases. Prior to Closing, neither Seller nor Buyer shall issue any press releases (or other public statements, except public statements reasonably necessary in connection with obtaining the Governmental Approvals) with respect to the transaction contemplated in this Agreement without approval of the other party, which approval may be withheld in the other party's sole and absolute discretion, except to the extent required by law.

14.19.3 Survival. The provisions of this Section 14.19 shall survive the termination of this Agreement, but shall terminate as of the Closing Date.

14.20 Exculpation. Buyer stipulates and agrees that it does not have and will not have any claims or causes of action against any Seller's Representatives (other than Linda Thomas as a Seller) arising out of or in connection with this Agreement, the transactions contemplated hereby or the documents executed in connection herewith, except to the extent of any claim that Buyer may have under applicable law to recover actual sale proceeds from the sale transaction under this Agreement that are distributed to any Seller's Representative in its capacity as the devisee, beneficiary, member, partner, stockholder or other interest holder of an estate, trust, limited liability company, partnership, corporation or other entity that constitutes or holds a direct or indirect ownership interest in a Seller (a "**Distributee Cause of Action**"). Buyer agrees to look solely to Seller and its assets for the satisfaction of any liability or obligation arising under this Agreement or any amendments thereto, the transactions contemplated hereby, the documents executed in connection herewith, or for the performance of any of the covenants, warranties or other agreements contained herein or therein, and further agrees not to sue or otherwise seek to enforce any personal obligation against any of Seller's Representatives (other than Linda Thomas as a Seller) with respect to any matters arising out of or in connection with this Agreement, any amendments hereto, the transactions contemplated hereby or the documents executed in connection herewith, except to the extent of any Distributee Cause of Action. Without limiting the generality of the foregoing provisions of this Section 14.20, Buyer hereby unconditionally and irrevocably waives any and all claims and causes of action of any nature whatsoever it may now or hereafter have against any of Seller's Representatives (other than Linda Thomas as a Seller), and hereby unconditionally and irrevocably releases and discharges all of Seller's Representatives (other than Linda Thomas as a Seller) from any and all liability whatsoever which may now or hereafter accrue in favor of Buyer against any such Seller's Representatives, in connection with or arising out of this Agreement, any amendments hereto, the transactions contemplated hereby or the documents executed in connection herewith, except to the extent of any Distributee Cause of Action. The provisions of this Section 14.20 shall survive the termination of this Agreement and the Closing.

14.21 Tank Farm on Main Yard. Notwithstanding any contrary provision of this Agreement, if (a) the Closing under this Agreement occurs prior to the second anniversary of the Agreement Date and the Brindle-Thomas partnership, a California general partnership, or other owner of that certain oil lease known as the Copeland Lease (collectively, "**Brindle-Thomas**"), has not already terminated its use of the tank farm on the Property described below, and (b) Buyer has not provided Seller with at least ninety (90) days' prior written notice of the date for Closing, then: (i) Buyer hereby agrees that Brindle-Thomas shall have the right, for no compensation to Buyer, to use the tank farm located on that portion of the Property described on Exhibit "A-1" as the "Main Yard" for oil/gas storage/processing purposes for up to ninety (90) days following Closing; and (ii) at the Closing Buyer and Brindle-Thomas shall execute a license agreement in

commercially reasonable form (the Post-Closing License being a commercially reasonable form) to document the use set forth in clause (i); and (iii) notwithstanding any contrary provision of this Agreement, Brindle-Thomas shall be an intended third-party beneficiary of this Section 14.21. This Section 14.21 shall survive the Closing as applicable.

14.22 Parcels. The individual parcels listed on Exhibit "A-1" hereto are intended to be a complete and exclusive list of the properties that compose the Land that is owned by Seller and that is the subject of this Agreement. Exhibit "A-2" is intended to be a graphical depiction of such Land. In recognition of the fact that assessors' parcel numbers and other land-identifying information can be subject to certain complexities, the parties agree to work together in good faith in the event one or both parties comes to believe that the list in Exhibit A-1 is incorrect or incomplete in any respect, in order to carry out the parties' mutual intent in entering into this Agreement for the purchase and sale of the Land that is owned by Seller and that is to be conveyed to Buyer hereunder.

14.23 Exhibit I. The provisions of Exhibit "I" hereto are hereby incorporated by reference as if fully set forth herein.

Remainder of this page intentionally left blank.

Signature page(s) follow(s).

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

SELLER:

ESTATE OF JOHN A. THOMAS AKA JOHN ALFRED THOMAS

By: Wells Fargo Bank, N.A., Special Administrator

By: _____

Name: _____

Its: _____

LINDA L. THOMAS, individually and as trustee
of the Linda Thomas Family Trust dated September
23, 2002

AREA EIGHT ENTERPRISES, LLC, a
California limited liability company

By: _____

Name: _____

Its: _____

BUYER:

[Buyer name and information]

By: _____

Name: _____

Its: _____

ESCROW AGENT:

The undersigned Escrow Agent hereby accepts the foregoing Purchase and Sale Agreement and Joint Escrow Instructions, agrees to act as Escrow Agent under such agreement in strict accordance with its terms, agrees to insert as the "Agreement Date" on page 1 hereof, if not otherwise dated, the latest date such agreement was signed by Seller and Buyer.

FIRST AMERICAN TITLE COMPANY

By:_____

Name:_____

Its:_____

Escrow Date:_____

LIST OF EXHIBITS

EXHIBIT “A-1”	LEGAL DESCRIPTION OF THE LAND
EXHIBIT “A-2”	DEPICTION OF THE LAND
EXHIBIT “B”	FORM OF DEED
EXHIBIT “C”	FORM OF NON-FOREIGN AFFIDAVIT
EXHIBIT “D”	FORM OF GENERAL ASSIGNMENT
EXHIBIT “E”	FORM OF HOLDBACK AGREEMENT
EXHIBIT “F”	FORM OF ENVIRONMENTAL AGREEMENT
EXHIBIT “G”	FORM OF POST-CLOSING LICENSE AGREEMENT
EXHIBIT “H”	DISCLOSURE ITEMS
EXHIBIT “I”	BUYER’S CONFLICT OF INTEREST DISCLOSURE

EXHIBIT “A-1”

LEGAL DESCRIPTION OF THE LAND

AREA 8		
APN	LEGAL DESCRIPTION	LISTED OWNERSHIP
111-140-28 111-140-29 111-140-30 111-140-31 111-140-32 111-140-33	Lots 13, 14, 15, 16 and 17 in Block “C” of “Garfield Street Addition to Huntington Beach,” in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Excepting from Lots 13, 14, 15 and 16 all minerals, oil, gas, petroleum, other hydrocarbon substances and all underground water in or under or which may be produced from said land which underlies a plane parallel to and 500 feet below the present surface of said land, for the purpose of prospecting for, the exploration, development, production, extraction and taking of said minerals, oil, gas, petroleum, other hydrocarbon substances and water from said land by means of mines, wells, derricks and/or other equipment from surface locations on adjoining or neighboring or lying outside of the above described land, it being understood that the owner of such minerals, oil, gas, petroleum, other hydrocarbon substances and water, as set forth above, shall have no right to enter upon the surface of the above described land nor to use any of the said land or any portion thereof above said plane parallel to and 500 feet below the present surface of the said land for any purpose whatsoever, as reserved by Huntington Beach Company in the deed recorded October 31, 1990 as Instrument No. 90-577991 of Official Records. Also excepting all rights to water within, underlying or produced from the real property and adjoining streets, roads and highways and the use and enjoyment thereof, excluding only those rights to surface water that are not attached to or a part of rights to subsurface water, without, however, any rights of surface entry other than those set forth in the grant deed from Pacific Coast Homes, a California corporation, recorded May 9, 1996 as Instrument No. 19960234731 of Official Records.	Area Eight Enterprises, LLC, a California limited liability company. Source of Ownership Information: <ul style="list-style-type: none">• ALTA Commitment for Title Insurance Issued by First American Title Insurance Company under File No. NCS-1142057-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.).• <i>See also</i> Spousal Property Order filed Jan. 30, 2019 in <i>Estate of John A. Thomas</i>, Orange County Super. Ct. No. 30-2014-00711762 (“Spousal Property Order”).

MAIN YARD		
APN	LEGAL DESCRIPTION	LISTED OWNERSHIP
111-120-06	Lot 16 in Block “F” of Garfield Street Addition to Huntington Beach, as per map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, in the Office of the County Recorder of said County.	Linda L. Thomas, a married woman. Source of Ownership Information: <ul style="list-style-type: none">• ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142063-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.).• <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds

		a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-07	Lot 15 in Block “F” of Garfield Street Addition to Huntington Beach, as per map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, in the Office of the County Recorder of Said County.	<p>Linda L. Thomas, a married woman.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142063-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-08	Lot 14, Block “F” of the Garfield Street Addition to Huntington Beach as per map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, in the Office of the County Recorder of said County. Excepting therefrom all oil, gas, minerals and other hydrocarbon substances lying below a depth of 500 feet, but without the right of surface entry, as reserved by James E. Wilmoth, a single man, by deed recorded April 10, 1961 in Book 5683, page 649 of Official Records.	<p>Linda Thomas, a married woman.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142063-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-09	Lot 13 in Block “F” Garfield Street Addition to the City of Huntington Beach, California as per map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, in the Office of the County Recorder of said County.	<p>Linda L. Thomas and the heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent’s estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142061-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>See also</i> Spousal Property Order.
111-120-13	Lot 10 in Block F of Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Excepting therefrom, an undivided one-half of all minerals, including oil and gas, together with the right to go upon said land and to take all proper steps and means to search for, and when found, remove from said land, the minerals therein contained, including oil and gas, as conveyed to Western Star Oil Company, a corporation, by instrument recorded June 6, 1922 in Book	<p>The heirs of devisees of John A. Thomas, deceased, subject to the administration of the decedent’s estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142058-SA1

	427, page 4 of Deeds in the Office of the County Recorder of said County. Also excepting therefrom all oil, gas, minerals and other hydrocarbon substances below a depth of 500 feet, measured from the surface of said land, without the right of entry upon the surface thereof, as reserved in Deed recorded in Book 927, page 188 of Official Records of said county.	<p>(Commitment Date of August 2, 2022 at 7:30 a.m.).</p> <ul style="list-style-type: none"> • <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-14	Lot 9 in Block F of Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California.	<p>The heirs of devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> • ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142058-SA1 (Commitment Date of August 2, 2022 at 7:30 a.m.). • <i>See also</i> Spousal Property Order.
111-120-15	Lot 8 in Block F of Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California.	<p>The heirs of devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> • ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142058-SA1 (Commitment Date of August 2, 2022 at 7:30 a.m.). • <i>See also</i> Spousal Property Order.
111-120-16	Lot 6 and 7 in Block F of Garfield Street Addition to Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Except therefrom a 3% interest in and to all oil, gas, petroleum or other hydrocarbon substances as reserved by J. C. Theriot and Gussie Theriot, husband and wife, in a Quitclaim Deed recorded July 06, 1929 in Book 292, page 280 of Official Records of said County.	<p>John A. Thomas, subject to exceptions 18, 19, 23, 25 and 26 listed in Alta Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142060-SA1 (Commitment Date of August 10, 2022 at 8:00 a.m.).</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> • ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142060-SA1 (Commitment Date of August 10, 2022 at 8:00 a.m.). • <i>See also</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).

111-120-17	<p>Lot 5 in Block F of Garfield Street Addition to Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Excepting therefrom all oil, gas, minerals and hydrocarbon substances lying below a depth of 500 feet from the surface of said land, but without the right of entry upon any portion of the surface of said land for the purpose of exploring for, boring, extracting, drilling, mining, prospecting for, removing or marketing said substances, as reserved in deed recorded March 29, 1974 in Book 11105, page 1372 of Official Records.</p>	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate, as to an undivided interest; and Linda L. Thomas, trustee of the Linda Thomas Family trust dated September 23, 2002, as to an undivided interest, as tenants in common.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142069-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>See also</i> Spousal Property Order.
111-120-18	<p>Lot 4 in Block F of Garfield Street Addition to Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California.</p>	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate, as to an undivided interest; and Linda L. Thomas, trustee of the Linda Thomas Family trust dated September 23, 2002, as to an undivided interest, as tenants in common.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142070-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>See also</i> Spousal Property Order.
111-120-19	<p>Lot 3 in Block F of Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Except an undivided 5/48th interest in and to all oil, gas, petroleum or other hydrocarbon substances in and under said land but without any right to entry upon the surface of said land or the subsurface thereof to a depth of 500 feet below the surface of said land, as reserved in deed recorded in Book 5727, page 588 of Official Records of said County. Together with all oil, gas and other hydrocarbon substances and all other minerals together with the right of surface entry to take, drill remove and market the same, together with all right, title and interest of grantors in and any all oil and gas leases, community oil and gas leases, royalty agreements, net profit agreements, participation agreements, unit agreements, and any and all existing oil and gas wells and oil and gas equipment located thereon.</p>	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142058-SA1 (Commitment Date of August 2, 2022 at 7:30 a.m.). <i>See also</i> Spousal Property Order.

111-120-20	<p>Lot 1 and 2 in Block F of Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Except an undivided 5/48th interest in and to all oil, gas, petroleum or other hydrocarbon substances in and under said land but without any right to entry upon the surface of said land or the subsurface thereof to a depth of 500 feet below the surface of said land, as reserved in deed recorded in Book 5727, page 588 of Official Records of said County. Together will all oil, gas and other hydrocarbon substances and all other minerals together will the right of surface entry to take, drill remove and market the same, together with all right, title and interest of grantors in and any all oil and gas leases, community oil and gas leases, royalty agreements, net profit agreements, participation agreements, unit agreements, and any and all existing oil and gas wells and oil and gas equipment located thereon.</p>	<p>The heirs of devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142058-SA1 (Commitment Date of August 2, 2022 at 7:30 a.m.). <i>See also</i> Spousal Property Order.
111-120-22	<p>Lot 25 in Block "F" of Garfield Street Addition of Huntington Beach, as per map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Excepting therefrom all oil, gas and other hydrocarbon substances in, under and/or that may be produced from a depth below 500 feet from the surface of said land or any part thereof, but with no right to use the surface of said land to a depth of 500 feet, as reserved by Edna M. Towers, a widow by Deed recorded June 4, 1973 in book 10730, page 282 of Official Records.</p>	<p>Linda L. Thomas, a married woman.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142063-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-23	<p>Lot 24 in Block "F" of Garfield Street Addition to Huntington Beach, as per map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, in the Office of the County Recorder of Said County.</p>	<p>Linda Lee Thomas, a married woman.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142063-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-24	<p>Lot 23 in Block F of Garfield Street Addition to Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California.</p>	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate, as to an undivided interest; and Linda L. Thomas, trustee of the Linda Thomas Family trust dated September 23, 2002, as to an undivided interest, as tenants in common.</p> <p>Source of Ownership Information:</p>

		<ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142062-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>See also</i> Spousal Property Order.
111-120-25	Lot 22 in Block F of Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California. Excepting therefrom all oil, gas, minerals and other hydrocarbon substances below a depth of 500 feet, measured from the surface of said land, without the right of entry upon the surface thereof, as reserved by Adna Towers, a widow in deed recorded April 10, 1973 in Book 10636, page 432 of Official Records of said County.	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate.</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142059-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).
111-120-30	The westerly 300 feet of Lot 27 of Block F, of the Garfield Street Addition, as shown on a map recorded in Book 7, pages 27 and 28, Miscellaneous Maps, Records of Orange County, California.	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance issued by First American Title Insurance Company under File No. NCS-1142061-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.). <i>But see</i> Spousal Property Order (indicating that Linda Thomas holds a 50% interest and the Estate of John A. Thomas holds a 50% interest).

EAST YARD		
APN	LEGAL DESCRIPTION	LISTED OWNERSHIP
111-110-03	Lot 16 in Block E of the Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California.	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate and Linda L. Thomas, a widow.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> ALTA Commitment for Title Insurance Issued by First American Title Insurance Company under File No. NCS-1142065-SA1

		<p>(Commitment Date of July 29, 2022 at 7:30 a.m.).</p> <ul style="list-style-type: none"> • <i>See also</i> Spousal Property Order.
111-110-04 111-110-32	<p>Lots 13, 14 and 15, in Block E of the Garfield Street Addition to Huntington Beach, in the City of Huntington Beach, County of Orange, State of California, as shown on a map recorded in Book 7, pages 27 to 28 of Miscellaneous Maps, in the office of the County Recorder of Orange County. Excepting therefrom all oil, oil rights, minerals, mineral rights, natural gas rights, and other hydrocarbons by whatsoever name known presently held by the herein grantor that may be within or under the parcel of land hereinabove described, together with the perpetual right of drilling, mining, exploring and operating therefor and storing in and removing the same from said land or any other land, including the right to whipstock or directionally drill and mine from lands other than said land, oil or gas wells, tunnels and shafts into, through or across the subsurface of said land, and to bottom such whipstocked or directionally drilled wells tunnels and shafts under and beneath or beyond the exterior limits thereof, and to redrill, retunnel, equip, maintain, repair, deepen and operate any such wells or mines without, however, the right to drill, mine, store, explore and operate through the surface of the upper 500 feet of the subsurface of said land.</p> <p>That portion of Lot 25 of Block E of the Garfield Street Addition to Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, records of Orange County, California, described as follows: the north one-half of said Lot 25; bounded easterly by the southerly prolongation of the east line of Lot 13 of said Block E and bounded westerly by the southerly prolongation of the west line of said Lot 13. Excepting therefrom all oil, oil rights, minerals, mineral rights, natural gas rights, and other hydrocarbons by whatsoever name known presently held by the herein grantor that may be within or under the parcel of land hereinabove described, together with the perpetual right of drilling, mining, exploring and operating therefor and storing in and removing the same from said land or any other land, including the right to whipstock or directionally drill and mine from lands other than said land, oil or gas wells, tunnels and shafts into, through or across the subsurface of said land, and to bottom such whipstocked or directionally drilled wells tunnels and shafts under and beneath or beyond the exterior limits thereof, and to redrill, retunnel, equip, maintain, repair, deepen and operate any such wells or mines without, however, the right to drill, mine, store, explore and operate through the surface of the upper 500 feet of the subsurface of said land.</p>	<p>The heirs or devisees of John A. Thomas, deceased, subject to the administration of the decedent's estate and Linda L. Thomas, a widow.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> • ALTA Commitment for Title Insurance Issued by First American Title Insurance Company under File No. NCS-1142064-SA1 (Commitment Date of August 2, 2022 at 7:30 a.m.). • <i>See also</i> Spousal Property Order.
111-110-34	<p>That portion of Lot 25 of Block E of the Garfield Street Addition to Huntington Beach, as shown on a map recorded in Book 7, pages 27 and 28 of Miscellaneous Maps, Records of Orange County, California, described as follows: the south one-half of said Lot 25; bounded easterly by the northerly prolongation of the east line of Lot 10 of said Block E and bounded westerly by the northerly prolongation of the west line of 12 of said Block E.</p>	<p>Weaver and Thomas, a California general partnership.</p> <p>Source of Ownership Information:</p> <ul style="list-style-type: none"> • ALTA Commitment for Title Insurance Issued by First American Title Insurance Company under File No. NCS-1142068-SA1 (Commitment Date of July 29, 2022 at 7:30 a.m.).

		<ul style="list-style-type: none"> • <i>See also</i> Spousal Property Order (indicating that Linda Thomas holds a 25% interest and the Estate of John A. Thomas holds a 25% interest).
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EXHIBIT “A-2”

DEPICTION OF THE LAND

Area 8



Main Yard



East Yard



EXHIBIT "B"

FORM OF DEED

RECORDING REQUESTED BY:

First American Title Insurance Company

WHEN RECORDED MAIL TO AND
MAIL TAX STATEMENTS TO:

[Insert information]

GRANT DEED

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$_____; CITY TRANSFER TAX \$_____; SURVEY MONUMENT FEE \$_____

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

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the undersigned, _____ ("**Grantor**"), hereby grants to _____, a _____ ("**Grantee**") the real property in the City of [_____] [_____] County, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference ("**Land**"), together with all of Grantor's right, title and interest in and to (a) all buildings, structures, and improvements located thereon; (b) all development rights, air rights, water, water rights, and water stock relating thereto; (c) strips and gores, streets, alleys, easements, rights-of-way, public ways, or other rights appurtenant, adjacent, or connected thereto; (d) minerals, oil, gas, and other hydrocarbon substances therein, thereunder, or that may be produced therefrom; and (e) any other rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders pertaining thereto or used in connection therewith (collectively, the "**Property**").

SUBJECT to all matters of record or that would be disclosed by survey or physical inspection.

Except for the Excluded Matters (as defined below), Grantee (for itself and on behalf of its successors, parents, subsidiaries, affiliates, agents, owners, investors, partners, joint venturers, assigns, and any current or future owner, tenant, subtenant, occupant, or other user of the Property from time to time (collectively with Grantee, each a "**Releasing Party**" and collectively, the "**Releasing Parties**")) fully releases and forever discharges the Released Parties (as defined below), and each of them, from any and all Claims (as defined below) that Grantee or any of the Releasing Parties now has, may have, or may in the future have as a result of, caused by, and/or

related to the presence or release of Hazardous Materials (as defined below) on, at, beneath, about, or emanating from the Property or any equipment located thereon, including without limitation, Claims resulting from, caused by, or related to: (i) any and all past, present, or future releases or threatened releases of Hazardous Materials on, at, beneath, about or, emanating from the Property or any equipment located thereon; (ii) the investigation, assessment, monitoring, mitigation, remediation, and/or removal of Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon; (iii) any existing, pending, future, or threatened order, demand, directive, request, consent decree, citation, notice of violation, program requirement, or other requirement, however termed, of any local, state or, federal agency exercising jurisdiction and/or oversight over the investigation, assessment, monitoring, mitigation, remediation, and/or removal of Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon; (iv) the requirements, compliance with, or violation of any existing or future permit obligations, deed restrictions, environmental or land use covenants, license requirements, or other similar requirements, however termed, relating to, associated with, or pertaining to Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon, or the current or future uses of the Property; (v) the requirements of, compliance with, or violation of any local, state or federal law, regulation, code, or ordinance, however termed, relating to the treatment, handling, transport, storage, or disposal of Hazardous Materials; (vi) any existing, pending, future, or threatened civil, administrative, or criminal action or lawsuit relating to Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon; and (vii) any and all Claims relating to the presence of and/or exposure to Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon.

Grantee, on behalf of itself and all Releasing Parties, hereby waives the provisions of California Civil Code Section 1542 and releases and relinquishes any rights it or they may have under that Section or any similar law and the application of said Section or law to any future disputes. Grantee (on behalf of itself and all Releasing Parties) acknowledges that before executing this waiver it was fully advised by legal counsel of its choosing about the effects of waiving the provisions of, and the rights under, 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.

In connection with such waiver and relinquishment, Grantee acknowledges that it is aware that, after accepting this Grant Deed, Grantee and/or the Releasing Parties may discover Claims or facts in addition to, or different from, those that each now knows or believes exist with respect to the subject matter of the foregoing release, but that it is its intention to hereby fully, finally, and forever settle and release all of the Claims, whether known or unknown, suspected or unsuspected, which now exist, may exist or hereto have existed, or may in the future exist against the Released Parties, and each of them, as a result of, caused by and/or related to the presence or release of

Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon, or the other matters to which the foregoing release is applicable, but expressly excluding the Excluded Matters. Grantee, on behalf of itself and the Releasing Parties, covenants that it shall not bring any Claim, action, or lawsuit of any kind, in any circumstance, against the Released Parties, or any of them, as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Property or any equipment located thereon or the other matters to which the foregoing release is applicable, but expressly excluding the Excluded Matters.

Grantee further agrees, on behalf of itself and all Releasing Parties, that, except for the Excluded Matters, if any third party, including any governmental agency, seeks to hold Grantee or any Releasing Party responsible for any matter as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about or, emanating from the Property or any equipment located thereon, then neither Grantee nor any Releasing Party shall implead the Released Parties, or any of them, or bring a contribution action or similar action against them or any of them, or in any way attempt to hold the Released Parties, or any of them, responsible with respect to any such matter.

Notwithstanding the foregoing, nothing contained in this Grant Deed shall constitute a waiver or release of any liability or obligation of Grantor arising out of either the Escrow Holdback Agreement and/or Post-Closing License Agreement (as such terms are defined below).

FURTHER, NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED IN THIS GRANT DEED SHALL BE DEEMED A RELEASE OR WAIVER BY GRANTEE OF CLAIMS TO THE EXTENT RESULTING FROM, CAUSED BY, ARISING OUT OF, AND/OR PERTAINING TO EXCLUDED MATTERS. “EXCLUDED MATTERS” MEANS, COLLECTIVELY: (A) THE RELEASE OF HAZARDOUS MATERIALS ON, AT, BENEATH, ABOUT, OR EMANATING FROM THE PROPERTY OR ANY EQUIPMENT LOCATED THEREON DUE TO HAZARDOUS MATERIALS FIRST RELEASED ON THE PROPERTY DURING THE PERIOD BETWEEN _____ [INSERT THE DAY AFTER THE DUE DILIGENCE TERMINATION DATE] AND THE DATE OF THIS GRANT DEED, EXCEPT FOR “NEW REMEDIATION NEEDS” IDENTIFIED PURSUANT TO SECTION 4.3 OF THE PURCHASE AND SALE AGREEMENT (AS DEFINED BELOW), OR (B) HAZARDOUS MATERIALS RELEASED ON THE PROPERTY IN CONNECTION WITH THE EXERCISE OF THE LICENSEE PARTIES’ RIGHTS UNDER THE POST-CLOSING LICENSE AGREEMENT.

For purposes of this Grant Deed, the following terms have the meanings set forth below:

“**Claim**” or “**Claims**” mean and include any and all claims, demands, actions, causes of action, obligations, damages, liabilities, indebtedness, investigation costs, monitoring costs, response costs, remedial costs, regulatory or oversight fees, transportation costs, disposal costs, breaches of contract, breaches of duty, suits, administrative actions, liens, losses, penalties, interest, fines, compensatory damages, property damages, punitive damages, exemplary damages, personal injury, wrongful death, costs or expenses, injunctive or declaratory relief, of any nature

whatsoever, whether arising by law (including any Environmental Law as defined below), contract, tort, voluntary settlement, consent decree, judgment or in any other manner, known or unknown, suspected or unsuspected, fixed or contingent, including without limitation, attorneys' fees, litigation expenses, consultant fees, laboratory fees, disposal costs, oversight costs, costs of suit, interest, and all other costs or expenses associated therewith.

“Environmental Law” means and includes any local, state or federal laws, statutes, ordinances, orders, rules, regulations, guidance documents, judgments, or directives relating to the use, handling, storage, treatment, transportation, disposal, assessment, monitoring, mitigation, remediation, removal, or cleanup of Hazardous Materials, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Clean Water Act, 33 U.S.C. § 1321 et seq., the Federal Safe Drinking Water Act, 42 U.S.C. § 300f-300j, the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Porter-Cologne Water Quality Control Act, California Water Code § 13300 et seq., the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code § 25300 et seq., and the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code § 25249.5 et seq.

“Hazardous Materials” mean and include any substances, chemicals, or materials that (i) are known or considered to be harmful, hazardous, or injurious to human health or safety or property, (ii) are known or considered to create a nuisance, (iii) are regulated under any Environmental Law, or any regulations, rules, orders, guidance, policy statements, or judicial or administrative interpretations of any such Environmental Law, and/or (iv) require special handling, storage, treatment, or disposal under any local, state or federal Environmental Law. “Hazardous Materials” includes, but is not limited to, petroleum hydrocarbons and/or their additives or constituents without regard to any petroleum exclusion under the Comprehensive Environmental Response, Compensation and Liability Act or any other statutory or regulatory scheme.

“Escrow Holdback Agreement” means the Escrow Holdback Agreement executed by Grantor and Grantee concurrent or substantially concurrent herewith in connection with the conveyance of the Property by Grantor to Grantee.

“Post-Closing License Agreement” means the Post-Closing License Agreement executed by Grantor and Grantee concurrent or substantially concurrent herewith in connection with the conveyance of the Property by Grantor to Grantee.

“Purchase and Sale Agreement” means the Purchase and Sale Agreement and Joint Escrow Instructions dated _____ between Grantor and [Buyer], as amended or assigned.

“Released Parties” mean and include each and all of the following:

- i. the persons and entities that constitute Grantor and also Wells Fargo Bank, N.A. in its capacity as Special Administrator of the Estate of John A. Thomas (collectively, “**Grantor Parties**”).
- ii. Each of the Grantor Parties’ respective successors, assigns, parents, subsidiaries, affiliates, administrators, and special administrators;
- iii. Thomas Oilers Partnership and all actual partners and/or economic interest-holders therein at any time, including John A. Thomas and his successors, Linda Thomas (individually and as trustee of the Linda Thomas Family Trust dated September 23, 2002), the Linda Thomas Family Trust dated September 23, 2002, Steven Thomas, Michael Thomas, the Estate of John A. Thomas (together with its Special Administrator Wells Fargo Bank, N.A.), the Estate of John Thomas Jr. (together with its executor Terry Thomas), and the Estate of Amy Thomas (together with its executor Linda Thomas); and
- iv. Each of the employees, agents, trustees, beneficiaries (including the beneficiaries of the Estate of John A. Thomas, the Estate of John Thomas Jr., and/or the Estate of Amy Thomas), members (including the members of Area Eight Enterprises, LLC), managers, officers, partners, shareholders, directors, representatives, attorneys, consultants, contractors, insurers, and re-insurers of each of the persons or entities in subparagraphs i. through iii., and all persons acting on behalf of any of the persons or entities in subparagraphs i. through iii.

For the avoidance of doubt, and without limitation of the foregoing definition, “Released Parties” includes Wells Fargo Bank, N.A. in all its capacities, as well as Wells Fargo Bank, N.A.’s parents, subsidiaries, and affiliates.

The release set forth in this Grant Deed and any provisions of this Grant Deed pertaining to such release shall run with the Property, shall constitute equitable servitudes, and shall be binding upon all future owners, tenants, subtenants, occupants, or other users of the Property as Releasing Parties. Every person or entity who owns or acquires any right, title, or interest in or to any portion of the Property shall be deemed to have consented and agreed to the release set forth in this Grant Deed irrespective of whether any reference to such release is contained in the instrument by which such person or entity acquires its right, title or interest in or to the Property.

Signature pages follow.

IN WITNESS WHEREOF, the Grantor has executed this grant deed as of this _____ day
of _____, 20____.

GRANTOR:

By: _____

Name: _____

Its: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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 _____
COUNTY OF _____

On _____ before me, _____, Notary Public, personally appeared

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

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

WITNESS my hand and official seal.

Signature _____ Affix appropriate seal above

ACCEPTANCE

Grantee hereby accepts the foregoing Grant Deed and all terms and provisions set forth therein, and agrees that all such terms and provisions are binding and enforceable.

GRANTEE:

By: _____

Name: _____

Its: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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 _____
COUNTY OF _____

On _____ before me, _____, Notary Public, personally appeared

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

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

WITNESS my hand and official seal.

Signature _____ Affix appropriate seal above

EXHIBIT "A" TO GRANT DEED

Legal Description

EXHIBIT "C"

FORM OF NON-FOREIGN AFFIDAVIT

NON-FOREIGN AFFIDAVIT

STATE OF _____)
) ss.
County of _____)

The undersigned, as authorized agent of _____, a(n) _____
_____ ("**Transferor**"), after being duly sworn upon his oath deposes and says that:

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform _____, a
_____ ("**Transferee**"), that withholding of tax is not required upon the disposition of
Transferor's interest in a U.S. real property interest, the undersigned hereby certifies the following:

1. Transferor is not a non-resident alien, foreign corporation, foreign partnership, foreign trust, foreign estate, or other foreign person within the meaning of § 1445 and § 7701 of the Internal Revenue Code and the treasury regulations promulgated thereunder;
2. Transferor is not a disregarded entity as defined in Treas. Reg. § 1.1445-2(b)(2)(iii);
3. Transferor's U.S. taxpayer identification number is: _____;
4. Transferor's business address is: _____

_____.

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

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

TRANSFEROR:

By: _____
Name: _____
Its: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

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 _____
COUNTY OF _____

On _____ before me, _____, Notary Public, personally appeared

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

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

WITNESS my hand and official seal.

Signature _____ Affix appropriate seal above

EXHIBIT “D”

FORM OF GENERAL ASSIGNMENT

GENERAL ASSIGNMENT AND BILL OF SALE

THIS GENERAL ASSIGNMENT (this “**Assignment**”) is executed as of the ____ day of _____, 20____, (“**Effective Date**”) by _____, a(n) _____ (“**Assignor**”), to and for the benefit of _____, a _____ (“**Assignee**”).

WHEREAS, contemporaneously herewith, Assignee is acquiring from Assignor certain real property described in Exhibit “A” attached hereto (the “**Land**”), together with all of Assignor’s right, title, and interest in and to: (a) all buildings, structures, and improvements thereto or thereon (the “**Improvements**”); and (b) all of the rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders pertaining to or used in connection with the Land and/or any of the Improvements, including, without limitation, all (i) development rights and credits, air rights, water, water rights, water stock, water capacity, sewer, wastewater and reuse water rights, sewage treatment capacity, other utility capacity and rights, capacity certificates, approvals, and permits relating to the Land, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, or other rights appurtenant, adjacent, or connected to the Land, and (iii) minerals, oil, gas, and other hydrocarbon substances, geothermal resources, and wind rights in, on, over, under, or that may be produced from the Land (collectively, the “**Real Property**”);

WHEREAS, in connection with the foregoing acquisition, Assignor desires to transfer and assign to Assignee all of Assignor’s right, title, and interest, if any, in and to certain items and rights applicable or relating thereto, all as hereinafter provided.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, sells, transfers, and assigns unto Assignee, to the extent assignable, all of Assignor’s right, title, and interest in and to intangible property owned by Assignor or used by Assignor exclusively in connection with all or any portion of the Real Property (“**Intangible Property**”), if any, including, without limitation, all of Assignor’s right, title, and interest, if any, in and to: (a) all existing and/or draft plats, maps, site plans, improvement plans, architectural plans and specifications, construction plans, drawings and specifications (including, without limitation, any CAD files), and development rights and credits, reimbursements and refunds of any pre-paid fees and/or deposits relating to any of the Real Property (including, without limitation, dry utility, sewer, water and wastewater credits, pre-paid fees and/or certificates, or any impact fees paid to the City or the County); (b) all reports, test results, environmental assessments, if any (in each case on a non-exclusive basis reserving all of Seller’s rights therein as and to the extent necessary in connection with any defense or claim of Seller not covered by the Environmental Agreement), improvement bids and budgets, as-built plans, specifications, and other similar documents and materials relating to the use, operation, maintenance, repair, construction, or fabrication of all or any portion of the Real Property; (c) all transferable licenses, architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements affecting any portion of the Real Property (including, without limitation, the Governmental Approvals); (d) all transferable guarantees, warranties, and

utility contracts relating to all or any portion of the Real Property, and Assignor agrees not to release, waive, or alter the liability of any persons providing such guarantees or warranties from and after the date of this Assignment; and (e) all intellectual property rights related to the Real Property, including any trade names related thereto. Further, Assignor does hereby assign, sell and convey to Assignee, all of Assignor's right, title and interest, if any, in and to any and all fixtures, machinery, equipment and other tangible personal property located on and/or used in connection with the operation, ownership or maintenance of, the Real Property.

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

This Assignment is binding upon the successors and assigns of Assignor and will inure to the benefit of the successors and assigns of Assignee.

Assignor represents and warrants to Assignee that Assignor has not previously made an assignment of the matters set forth herein and Assignor hereby covenants that it will, at any time and from time to time upon written request therefor, execute and deliver to Assignee, and its successors and assigns, any new or confirmatory instruments and take such further acts as Assignee may reasonably request to evidence the assignment contained herein.

ASSIGNOR'S LIABILITY UNDER THIS ASSIGNMENT SHALL BE LIMITED AS SET FORTH IN THAT CERTAIN PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS DATED AS OF [DATE] BY AND BETWEEN ASSIGNOR (AS SELLER) AND ASSIGNEE (AS BUYER) PURSUANT TO WHICH THIS ASSIGNMENT IS EXECUTED AND DELIVERED. This Assignment shall be governed by and interpreted under the laws of the State of California, without regards to its principles of conflict of laws.

ASSIGNOR:

By: _____

Name: _____

Its: _____

EXHIBIT “A” TO GENERAL ASSIGNMENT

Legal Description

EXHIBIT "E"

FORM OF HOLDBACK AGREEMENT

ESCROW HOLDBACK AGREEMENT

THIS ESCROW HOLDBACK AGREEMENT (this "Agreement") is made as of the ____ day of _____, 200__, by and between _____, a _____ ("Seller"), _____, a _____ ("Buyer"), and _____ ("Escrow Agent").

RECITALS

A. Seller and Buyer are parties to that certain _____ (collectively, the "Purchase Agreement").

B. Under the terms of the Purchase Agreement, Buyer and Seller agreed to set up an escrow account into which the Remediation Funds will be deposited, held, and disbursed (the "Remediation Escrow").

C. This Agreement, in conjunction with the Purchase Agreement, shall constitute mutual escrow instructions to Escrow Agent and the authorization of Escrow Agent by Seller and Buyer to carry out the instructions contained herein.

D. Defined terms appear in this Agreement with the first letter of each word in the term capitalized. Unless otherwise defined herein, defined terms shall have the meanings attributed to them in the Purchase Agreement.

AGREEMENT

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

1. Incorporation of Recitals. The accuracy of the above recitals is confirmed and all of the above-mentioned recitals are incorporated herein and are hereby made covenants of this Agreement.

2. Establishment of Escrow Account. Simultaneously with the execution of this Agreement, Escrow Agent shall establish the Remediation Escrow and, at the Closing, shall withhold from the proceeds due Seller under the Purchase Agreement at Closing and deposit into the Remediation Escrow the Remediation Funds.

3. Instructions to Escrow Agent. The Remediation Funds shall be disbursed and dealt with by Escrow Agent in strict accordance with the following:

(a) Escrow Agent shall deposit or invest the Remediation Funds in money market accounts or marketable interest bearing securities as directed by Seller and Buyer (provided

that the Remediation Funds are available for immediate withdrawal, as and when required under this Agreement).

(b) Escrow Agent shall not be liable for any action taken or omitted by it, Seller, or Buyer, except for Escrow Agent's own negligence, bad faith, recklessness, willful misconduct or breach of this Agreement or the terms and conditions of the Purchase Agreement.

(c) If conflicting demands are made upon Escrow Agent to any monies at any time held by it hereunder, then Escrow Agent may hold said monies until the right of the parties are determined by an appropriate court of law.

(d) Escrow Agent may, at its election, resign as Escrow Agent under this Agreement. In the event Escrow Agent elects to resign, it shall provide written notice to Seller and Buyer at least thirty (30) days prior to the date that the resignation will be effective. Prior to the date that the resignation is effective, Buyer and Seller shall select another escrow agent in California to carry out the applicable terms of this Agreement (provided that if Buyer and Seller cannot promptly agree, Buyer shall be entitled to select any of First American Title, Fidelity National Title, Stewart Title, or any of their successors as the new escrow agent) and shall instruct Escrow Agent to disburse any remaining funds being held in the Remediation Escrow to the newly appointed escrow agent, who shall sign a joinder this Agreement and agree to hold and disburse such remaining funds in accordance with this Agreement.

4. Draw Requests. Buyer may submit draw requests (a "Draw Request") to Escrow Agent and the Seller from time to time, as necessary, to pay any costs of the Remediation that Buyer has incurred as of the date the Draw Request is submitted to Escrow Agent. The Draw Request shall set forth the total amount to be paid and shall be accompanied by commercially reasonable supporting documentation of the costs set forth therein. Unless Escrow Agent receives a timely Objection Notice, Escrow Agent shall make payment to Buyer from the funds being held in the Remediation Escrow promptly following the Objection Period (as defined below). Upon the receipt of the final invoice for the Remediation costs, Buyer shall submit to Escrow Agent and Seller a final Draw Request for the Remediation costs, which shall indicate it is the final Draw Request. Following payment of the final Draw Request, Escrow Agent shall promptly disburse to Seller any funds remaining in the Remediation Escrow account.

5. Objections to Draw Requests. So long as the terms of **Section 4 above** have been satisfied, Seller shall have no right to prevent or delay the payment of any Draw Request by Escrow Agent. Notwithstanding the foregoing sentence, Seller shall have the right to object to any Draw Request by delivering to Buyer and Escrow Agent an objection notice (an "Objection Notice") only if: (a) the Draw Request is not submitted in accordance with the terms of **Section 4 above**; or (b) Seller reasonably disputes that any of the costs included in the Draw Request constitute costs of the Remediation work. The Objection Notice shall set forth in sufficient detail Seller's basis for its objection and shall be sent to Buyer and Escrow Agent within five (5) Business Days after Seller receives the Draw Request that is the subject of the Objection Notice ("Objection Period"). If an Objection Notice is not submitted within the Objection Period, Seller shall be deemed to have waived its right to object to the Draw Request. If an Objection Notice is delivered in accordance with this **Section 5**, then, pending a resolution of the dispute, Escrow Agent shall withhold payment of the disputed amount requested under the objected Draw Request (but Escrow Agent

shall continue to pay to Buyer all undisputed amounts under the Draw Requests). Seller and Buyer shall attempt in good faith to resolve to their mutual satisfaction all objections regarding the Draw Request as promptly as possible (and in all events within 10 days after delivery of an Objection Notice). If Seller and Buyer are unable to resolve the matter within such 10-day period, then either party shall have the right to submit the matter to dispute resolution as provided in ***Section 8 below***. Once any dispute with respect to a Draw Request is resolved (or is deemed to be resolved), Escrow Agent shall immediately pay to Buyer from the Remediation Escrow the amount to be disbursed in accordance with such resolution of the dispute.

6. Outside Disbursal Date. Any and all remaining funds in the Remediation Escrow shall be disbursed to Seller by Escrow Agent, without any further instructions from Seller or Buyer, not later than three (3) years after the date of this Agreement (the “Outside Disbursal Date”); provided, however, that in the event that Buyer has not submitted, and Escrow Agent has not paid in full, the final Draw Request as of the Outside Disbursal Date because the Remediation Work is still ongoing, then the Outside Disbursal Date shall be automatically extended until ninety (90) days following the completion of the Remediation Work unless (a) Seller has delivered written notice to Buyer and Escrow Agent stating that Seller reasonably believes that Buyer has abandoned or discontinued, or is not using commercially reasonable efforts to complete, the Remediation (an “Abandonment Notice”); and (b) within thirty (30) days following receipt of the Abandonment Notice, Buyer has not either (i) submitted a final Draw Request for Remediation costs or (ii) delivered written notice to Seller and Escrow Agent reasonably evidencing that Buyer is using commercially reasonable efforts to complete the Remediation, detailing the current status of the Remediation and what event or action (e.g., without limitation, passage of required monitoring time or governmental response to submittals) must reasonably occur for the completion of the Remediation, and reasonably evidencing that the remaining event or action for the completion of the Remediation is reasonably expected to generate additional Remediation costs.

7. Notices and Communications. Any and all Notices required or permitted by this Agreement shall be given in writing in accordance with and subject to the terms of the Purchase Agreement applicable to Notices.

8. Draw Request Dispute Resolution Procedure. The parties shall use good faith efforts to resolve any claim, dispute or other matter in question arising out of or related to this Agreement. If the parties are unable to resolve any dispute related to a Draw Request, such dispute shall be resolved by [name of individual] at [organization] (“Arbiter”) or such other individual mutually approved by Seller and Buyer, as a neutral third party (the “Resolution Party”). To Seller’s knowledge, none of the Estate, Thomas, Area LLC, Special Administrator, or any of their affiliated entities have engaged Arbiter with respect to the Real Property and none of the Estate, Thomas, Area LLC or any of their affiliated entities have engaged Arbiter with respect to any other matter during the 5-year period preceding the Agreement Date. To Buyer’s knowledge, neither Buyer nor any affiliated entity has engaged Arbiter with respect to any matter during the 5-year period preceding the Agreement Date. None of the Estate, Thomas, Area LLC, Buyer or any of their affiliated entities shall engage Arbiter during the pendency of this Agreement (other than the joint dispute resolution engagement set forth in this paragraph). None of Special Administrator or its affiliated entities shall engaged Arbiter with respect to the Real Property during the pendency of this Agreement (other than the joint dispute resolution engagement set forth in this paragraph). A hearing will be held by the Resolution Party within five (5) Business Days after receipt of notice

of the dispute, at which each of Buyer and Seller shall be present and to which they may bring counsel. The Resolution Party shall permit the Parties to provide a statement and evidence as to their position. The Resolution Party shall make a decision as promptly as possible based solely on the matters for which Seller may object to a Draw Request as set forth in **Section 5 above**. Buyer and Seller acknowledge that there is a mutual benefit in having the Remediation work done as expeditiously as possible and that there is a need for a streamlined method of making decisions described in this section so that work is not delayed.

9. Jury Trial Waiver. Notwithstanding the provisions of **Section 8 above**, if a court of competent jurisdiction shall determine or a relevant law shall provide that a particular dispute is not subject to the provisions of **Section 8** then the parties agree that justice will best be served if issues regarding this Agreement are heard by a judge in a court proceeding, and not a jury. ACCORDINGLY, AS A MATERIAL PART OF THE CONSIDERATION UNDER THIS AGREEMENT, AND TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW, EACH OF SELLER AND BUYER KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION OR LEGAL PROCEEDING BASED UPON OR ARISING DIRECTLY, INDIRECTLY, OR OTHERWISE IN CONNECTION WITH, OUT OF, RELATED TO OR FROM THIS AGREEMENT INCLUDING, BY WAY OF EXAMPLE BUT NOT LIMITATION, ANY COURSE OF CONDUCT, COURSE OF DEALINGS, VERBAL OR WRITTEN STATEMENTS, OR ACTS OR OMISSIONS OF EITHER PARTY WHICH IN ANY WAY RELATE TO THIS AGREEMENT. SELLER AND BUYER HAVE SPECIFICALLY DISCUSSED AND NEGOTIATED FOR THIS WAIVER AND UNDERSTAND THE LEGAL CONSEQUENCES OF IT.

10. Miscellaneous.

(a) Entire Agreement. This Agreement and the Purchase Agreement and its attachments (including the Environmental Agreement executed in connection therewith) constitute the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein. No change or addition is to be made to this Agreement except by written amendment executed by the parties hereto.

(b) Good Standing; Authorization. The parties hereby represent and warrant to one another as follows: (i) each of the parties is duly formed and validly existing under the laws of its state of organization; and (ii) the individuals executing this Agreement on behalf of the respective parties are authorized and empowered to bind the party on whose behalf each such individual is signing.

(c) Governing Law. This Agreement is entered into in the State of California and shall be construed and interpreted under the laws of the State of California.

(d) Severability. If any provision of this Agreement is declared void or unenforceable, such provision shall be severed from this Agreement.

(e) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all parties may be physically attached to a single document.

(f) Dispute. In the event of any dispute between the parties arising under or in relation to this Agreement, the prevailing party in such dispute or litigation shall have their right to receive from the non-prevailing party all of the prevailing party's reasonable costs and attorneys' fees incurred in connection with any such dispute and/or litigation. As used herein, the term "prevailing party" shall refer to that party to this Agreement for whom the result ultimately obtained most closely approximates such party's position in such dispute or litigation.

(g) Waiver. The waiver by either party of any covenant term, condition or provision of this Agreement or any breach thereof shall not be deemed to be a waiver of any subsequent contravention or breach of same or any other covenant, term, condition or provision herein contained. No covenant, term, condition or provision of this Agreement shall be deemed to have been waived by either party, unless such waiver is in writing, signed by both parties.

(h) Time is of the Essence. Time is of the essence of this Agreement and every term and condition hereof.

(i) Further Instruments and Documents. Each party hereto shall, promptly upon the request of the other party or Escrow Agent, have acknowledged and delivered to the other party any and all further instruments and assurances reasonably requested or otherwise necessary to carry out the terms of this Agreement.

(j) No Partnership; Third Parties. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any owner-contractor, contractor-subcontractor, employer-employee, partnership, joint venture, or other arrangement between or among Seller and Buyer. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization, or corporation not a party hereto, and no other person, firm, organization, or corporation shall have any right or cause of action hereunder.

(k) Computation of Periods. If the date to perform any act or give a notice with respect to this Agreement shall fall on a day that is not a Business Day (or other day that Escrow Agent is not open for business, as applicable), the act or notice may be timely performed on the next succeeding Business Day, or day that Escrow Agent is open for business, as applicable.

[Remainder of page intentionally left blank. Signature page(s) follow(s).]

EXHIBIT “F”

FORM OF ENVIRONMENTAL AGREEMENT

ENVIRONMENTAL CLAIMS ASSIGNMENT, RELEASE AND ENVIRONMENTAL AGREEMENT

This Environmental Claims Assignment, Release and Environmental Agreement (“Environmental Agreement”) is made and entered into as of _____, 202__ by and between: (i) the Estate of John A Thomas a/k/a John Alfred Thomas (“Estate”), by and through its Special Administrator Wells Fargo Bank, N.A. (with any future replacement, substitute, successor or additional administrator of the Estate, “Special Administrator”); Linda L. Thomas, individually and as trustee of the Linda Thomas Family Trust dated September 23, 2002 (collectively, “Thomas”); and Area Eight Enterprises, LLC, a California limited liability company (“Area LLC” and collectively with the Estate and Thomas, “Seller”); on the one hand; and (ii) _____ (“Buyer”), and [Buyer affiliate that provides satisfactory evidence of having at least \$900 million in cash and cash equivalents; this and related provisions subject to discussion if Buyer is itself such an entity] (“XYZ”), on the other hand.

Recitals

WHEREAS concurrently herewith and pursuant to the terms and conditions of that certain Purchase and Sale Agreement and Joint Escrow Instructions, dated as of _____, 2024 by and between Seller and [Buyer/Buyer’s predecessor-in-interest] (as amended, the “Purchase and Sale Agreement”), Seller is transferring to Buyer fee title to certain land the (“Land” and together with improvements owned by Seller that are located on the Land, the “Premises”) located in the City of Huntington Beach, California and more particularly described on Exhibit A;

WHEREAS as a condition to the Closing of the conveyance of the Property to Buyer pursuant to the Purchase and Sale Agreement, Buyer is required to release, save, indemnify, reimburse, hold harmless, and defend the Indemnified Parties (as defined below) against certain environmental liabilities associated with the Premises and the Thomas Oilers Equipment that is not removed from the Land prior to the end of the Post-Closing License (as defined below) (collectively, the “Indemnity Property”) upon and subject to the terms and conditions of this Environmental Agreement;

NOW THEREFORE, Seller, Buyer, and XYZ, in consideration of the foregoing, the mutual promises, terms, covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, agree as follows:

Agreement

1. Definitions. For purposes of this Environmental Agreement, capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Purchase and Sale Agreement. Additionally, for purposes of this Environmental Agreement, the following terms shall have the following meanings:

- a. “Buyer” has the meaning set forth in the preamble above.
- b. “Claim” or “Claims” means and includes any and all claims, demands, actions, causes of action, obligations, damages, liabilities, indebtedness, investigation costs, monitoring costs, response costs, remedial costs, regulatory or oversight fees, transportation costs, disposal costs, breaches of contract, breaches of duty, suits, administrative actions, liens, losses, penalties, interest, fines, compensatory damages, property damages, punitive damages, exemplary damages, personal injury, wrongful death, costs or expenses, injunctive or declaratory relief, of any nature whatsoever, whether arising by law (including any Environmental Law as defined below), contract, tort, voluntary settlement, consent decree, judgment or in any other manner, known or unknown, suspected or unsuspected, fixed or contingent, including without limitation, attorneys’ fees, litigation expenses, consultant fees, laboratory fees, disposal costs, oversight costs, costs of suit, interest, and all other costs or expenses associated therewith.
- c. “Due Diligence Termination Date” has the meaning set forth in the Purchase and Sale Agreement.
- d. “Environmental Agreement” has the meaning set forth in the preamble above.
- e. “Environmental Law” means and includes any local, state or federal laws, statutes, ordinances, orders, rules, regulations, guidance documents, judgments, or directives relating to the use, handling, storage, treatment, transportation, disposal, assessment, monitoring, mitigation, remediation, removal, or cleanup of Hazardous Materials (as defined below), including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Clean Water Act, 33 U.S.C. § 1321 et seq., the Federal Safe Drinking Water Act, 42 U.S.C. § 300f-300j, the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Porter-Cologne Water Quality Control Act, California Water Code § 13300 et seq., the Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health and Safety Code § 25300 et seq., and the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code § 25249.5 et seq.
- f. “Excluded Matters” has the meaning set forth in Section 3 below.
- g. “Hazardous Materials” means and includes any substances, chemicals, or materials that (i) are known or considered to be harmful, hazardous, or injurious to human health or safety or property, (ii) are known or considered to create a nuisance, (iii) are regulated under any Environmental Law, or any regulations, rules, orders, guidance, policy statements, or judicial or administrative interpretations of any such Environmental Law, and/or (iv) require special handling, storage, treatment, or disposal under any local, state or federal Environmental Law. “Hazardous Materials” includes, but is not limited to, petroleum hydrocarbons and/or their additives or constituents without regard to any petroleum exclusion under the Comprehensive Environmental Response, Compensation and Liability Act or any other statutory or regulatory scheme.

h. “Holdback Agreement” has the meaning set forth in the Purchase and Sale Agreement.

i. “Indemnified Parties” means and includes each and all of the following:

- i. Indemnitees as defined below, and each of them;
- ii. Each of the Indemnitees’ respective successors, assigns, parents, subsidiaries, affiliates, administrators, and special administrators;
- iii. Thomas Oilers Partnership and all actual partners and/or economic interest-holders therein at any time, including John A. Thomas and his successors, Linda Thomas (individually and as trustee of the Linda Thomas Family Trust dated September 23, 2002), the Linda Thomas Family Trust dated September 23, 2002, Steven Thomas, Michael Thomas, the Estate of John A. Thomas (together with its Special Administrator Wells Fargo Bank, N.A.), the Estate of John Thomas Jr. (together with its executor Terry Thomas), and the Estate of Amy Thomas (together with its executor Linda Thomas); and
- iv. Each of the foregoing’s respective employees, agents, trustees, beneficiaries (including the beneficiaries of the Estate of John A. Thomas, the Estate of John Thomas Jr., and/or the Estate of Amy Thomas), members (including the members of Area Eight Enterprises, LLC), managers, officers, partners, shareholders, directors, representatives, attorneys, consultants, contractors, insurers, and re-insurers, and all persons acting on behalf of any of the foregoing.

For the avoidance of doubt, and without limitation of the foregoing definition, “Indemnified Parties” includes Wells Fargo Bank, N.A. in all its capacities, as well as Wells Fargo Bank, N.A.’s parents, subsidiaries, and affiliates. An “Indemnified Party” is any one of the Indemnified Parties.

j. “Indemnitees” means the persons and entities included in the definition of “Seller” and also includes Wells Fargo Bank, N.A. in its capacity as Special Administrator of the Estate of John A. Thomas. “Indemnitee” includes any such person or entity.

k. “Indemnitor” means, collectively, Buyer and XYZ. All obligations of Indemnitor under this Environmental Agreement shall be joint and several obligations of Buyer and XYZ.

l. “Indemnity Property” has the meanings set forth in the recitals above.

m. “Land” has the meaning set forth in the recitals above.

n. “Parties” means Seller, Buyer, Indemnitor and Indemnitees, collectively. “Party” refers to any of the Parties in the singular.

- o. “Post-Closing License” has the meaning set forth in the Purchase and Sale Agreement.
- p. “Premises” has the meaning set forth in the recitals above.
- q. “Prevailing Party” has the meaning set forth in Section 7 below.
- r. “Purchase and Sale Agreement” has the meaning set forth in the recitals above.
- s. “Releasing Parties” and “Releasing Party” have the meanings set forth in Section 3 below.
- t. “Seller” has the meaning set forth in the preamble above.

2. Indemnity. Except for the Excluded Matters, Indemnitor agrees to and shall save, indemnify, reimburse, hold harmless, and defend each and all of the Indemnified Parties from any and all Claims brought or asserted against an Indemnified Party, or payable by or asserted to be payable by an Indemnified Party, as a result of, caused by and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property, including, but not limited to, Claims resulting from, caused by, or related to: (i) any and all past, present, or future releases or threatened releases of Hazardous Materials on, at, beneath, about or, emanating from the Indemnity Property; (ii) the investigation, assessment, monitoring, mitigation, remediation, and/or removal of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property; (iii) any existing, pending, future, or threatened order, demand, directive, request, consent decree, citation, notice of violation, program requirement, or other requirement, however termed, of any local, state or, federal agency exercising jurisdiction and/or oversight over the investigation, assessment, monitoring, mitigation, remediation, and/or removal of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property; (iv) the requirements, compliance with, or violation of any existing or future permit obligations, deed restrictions, environmental or land use covenants, license requirements, or other similar requirements, however termed, relating to, associated with, or pertaining to Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property or the current or future uses of the Indemnity Property; (v) the requirements of, compliance with, or violation of any local, state or federal law, regulation, code, or ordinance, however termed, relating to the treatment, handling, transport, storage, or disposal of Hazardous Materials; (vi) any existing, pending, future, or threatened civil, administrative, or criminal action or lawsuit relating to Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property; and (vii) any and all Claims against Indemnified Parties relating to the presence of and/or exposure to Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property. If any Claim is brought or made against any or all of the Indemnified Parties, Indemnitor shall assume the investigation and defense thereof, including the engagement of qualified reputable environmental litigation counsel reasonably selected by Indemnitor based on such counsel’s expertise in the defense of Claims of similar scope and complexity and that does not have any conflict of interest in the matter (“Qualified Counsel”). Indemnitor’s duty to defend the Indemnified Parties shall include, *inter alia*, the representation of Indemnified Parties by Qualified Counsel selected by Indemnitor as provided above, together with litigation costs and expenses incurred in such defense, including consultant and expert fees and

costs incurred in connection with such defense. If Indemnitor does not retain Qualified Counsel and discharge the foregoing defense obligations, an Indemnified Party shall have the right to select and retain Qualified Counsel for such Indemnified Party's defense and Indemnitor shall be obligated to reimburse Indemnified Party for all costs incurred by Indemnified Party for such defense in connection with Indemnitor's failure to perform its obligations under this Agreement.

3. Release. Upon execution of this Environmental Agreement, and except for the Excluded Matters, Indemnitor (for itself and its successors, parents, subsidiaries, affiliates, agents, owners, investors, partners, joint venturers, assigns, and any current or future owner, tenant, subtenant, occupant, or other user of the Property (collectively with Indemnitor, each a "Releasing Party" and collectively, the "Releasing Parties")) fully releases and forever discharges Indemnified Parties, and each of them, from any and all Claims that Indemnitor or any of the Releasing Parties now has, may have, or may in the future have as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property, and/or from any other matters for which Indemnitor is obligated to indemnify the Indemnified Parties under Section 2 above. Indemnitor, on behalf of itself and all Releasing Parties, hereby waives the provisions of California Civil Code Section 1542 and releases and relinquishes any rights it or they may have under that Section or any similar law and the application of said Section or law to any future disputes. Indemnitor acknowledges that before executing this waiver it was fully advised by legal counsel of its choosing about the effects of waiving the provisions of, and the rights under, 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.

In connection with such waiver and relinquishment, Indemnitor acknowledges that it is aware that, after executing this Environmental Agreement, Indemnitor and the Releasing Parties may discover Claims or facts in addition to, or different from, those that each now knows or believes exist with respect to the subject matter of this Environmental Agreement, but that it is its intention to hereby fully, finally, and forever settle and release all of the Claims, whether known or unknown, suspected or unsuspected, which now exist, may exist or hereto have existed, or may in the future exist against the Indemnified Parties, and each of them, as a result of, caused by and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property or the other matters for which Indemnitor is required to indemnify the Indemnified Parties under this Environmental Agreement, but expressly excluding the Excluded Matters. Except for the Excluded Matters, all liabilities as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property will and hereby are assumed by Indemnitor. Indemnitor will be solely responsible for undertaking and shall undertake any assessment, investigation, monitoring, remediation, removal, or cleanup as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property, but expressly excluding the Excluded Matters. Indemnitor, on behalf of itself and the Releasing Parties, covenants that it shall not bring any Claim, action, or lawsuit of any kind, in any

circumstance, against Indemnified Parties, or any of them, as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnity Property or the other matters for which Indemnitor is required to indemnify the Indemnified Parties under this Environmental Agreement, but expressly excluding the Excluded Matters. Indemnitor further agrees, on behalf of itself and all Releasing Parties, that, except for the Excluded Matters, if any third party, including any governmental agency, seeks to hold Indemnitor or any Releasing Party responsible for any matter as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about or, emanating from the Indemnity Property, then neither Indemnitor nor any Releasing Party shall implead Indemnified Parties, or any of them, or bring a contribution action or similar action against them or any of them, or in any way attempt to hold Indemnified Parties, or any of them, responsible with respect to any such matter. Notwithstanding the foregoing, nothing contained in this Environmental Agreement shall constitute a waiver or release of any liability or obligation of Seller arising out of either that certain Holdback Agreement and/or that certain Post-Closing License, each executed by Seller and Buyer in connection with the Purchase and Sale Agreement. **FURTHER, NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED IN THIS SECTION 3 OR OTHERWISE IN THIS ENVIRONMENTAL AGREEMENT SHALL BE DEEMED A RELEASE OR WAIVER BY BUYER OF CLAIMS TO THE EXTENT RESULTING FROM, CAUSED BY, ARISING OUT OF, AND/OR PERTAINING TO EXCLUDED MATTERS. “EXCLUDED MATTERS” MEANS, COLLECTIVELY: (A) THE RELEASE OF HAZARDOUS MATERIALS ON, AT, BENEATH, ABOUT, OR EMANATING FROM THE PREMISES DUE TO HAZARDOUS MATERIALS FIRST RELEASED ON THE PROPERTY DURING THE PERIOD BETWEEN THE DUE DILIGENCE TERMINATION DATE AND THE DATE OF THIS ENVIRONMENTAL AGREEMENT, EXCEPT FOR “NEW REMEDIATION NEEDS” IDENTIFIED PURSUANT TO SECTION 4.3 OF THE PURCHASE AND SALE AGREEMENT, OR (B) HAZARDOUS MATERIALS RELEASED ON THE PROPERTY IN CONNECTION WITH THE EXERCISE OF THE LICENSEE PARTIES’ RIGHTS UNDER THE POST-CLOSING LICENSE.**

4. Assignment of Claims. Seller, on behalf of Seller and each Indemnified Party, hereby assigns to Buyer, without representation or warranty, express or implied of any kind, except as specifically provided in the Purchase and Sale Agreement, and to the extent assignable, all of Seller’s right, title and interest in and to any and all Claims that Seller may have (excluding (a) Claims against Indemnitor or a Releasing Party, (b) Claims released pursuant to Section 3 above, or (c) Claims to the extent resulting from, caused by, arising out of, and/or pertaining to Excluded Matters) as a result of, caused by, and/or related to the presence or release of Hazardous Materials on, at, beneath, about, or emanating from the Indemnified Property, including, but not limited to, Claims resulting from, caused by, or related to: (i) any and all past, present, or future releases or threatened releases of Hazardous Materials on, at, beneath, about or, emanating from the Indemnified Property; (ii) the investigation, assessment, monitoring, mitigation, remediation, and/or removal of Hazardous Materials on, at, beneath, about, or emanating from the Indemnified Property; (iii) any existing, pending, future, or threatened order, demand, directive, request, consent decree, citation, notice of violation, program requirement, or other requirement, however termed, of any local, state or, federal agency exercising jurisdiction and/or oversight over the investigation, assessment, monitoring, mitigation, remediation, and/or removal of Hazardous Materials on, at, beneath, about, or emanating from the Indemnified Property; (iv) the

requirements, compliance with, or violation of any existing or future permit obligations, deed restrictions, environmental or land use covenants, license requirements, or other similar requirements, however termed, relating to, associated with, or pertaining to Hazardous Materials on, at, beneath, about, or emanating from the Indemnified Property or the current or future uses of the Indemnified Property; (v) the requirements of, compliance with, or violation of any local, state or federal law, regulation, code, or ordinance, however termed, relating to the treatment, handling, transport, storage, or disposal of Hazardous Materials; (vi) any existing, pending, future, or threatened civil, administrative, or criminal action or lawsuit relating to Hazardous Materials on, at, beneath, about, or emanating from the Indemnified Property; and (vii) any and all Claims relating to the presence of and/or exposure to Hazardous Materials on, at, beneath, about, or emanating from the Indemnified Property. Such assignment shall be non-exclusive and Seller shall retain all of its right, title and interest in and to Claims assigned above, if and to the extent that Indemnitor fails to perform its obligations under this Agreement.

5. Notices. Any notice given by any party under this Environmental Agreement shall be delivered in the manner specified in Section 14.4 of the Purchase and Sale Agreement (with notice to XYZ given in the manner specified for notice to Buyer), and the provisions of such Section 14.4 shall govern all matters relating to such notice.

6. Governing Law and Jurisdiction. The provisions of Section 14.1 of the Purchase and Sale Agreement are hereby incorporated by reference, and shall apply to this Environmental Agreement.

7. Attorneys' Fees. If any Party or any Indemnified Party brings an action or proceeding to enforce any provision of this Environmental Agreement, for breach thereof, or to declare rights hereunder, the Prevailing Party shall be entitled to recover all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, consultant fees and costs) incurred in connection with such action or proceeding. Such fees may be awarded in the same action or proceeding or recovered in a separate action or proceeding whether or not such first action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, a Party or Indemnified Party that substantially obtains or defeats the relief sought, as the case may be, whether by judgment, or the abandonment by the other party of its claim or defense. The attorneys' fee award shall not be computed in accordance with any court fee schedule but shall be such as to fully reimburse all attorneys' fees reasonably incurred. This provision of the Environmental Agreement does not confer any rights on any parties other than the Parties and the Indemnified Parties.

8. Section Headings and Construction.

a. The headings of the various sections of this Environmental Agreement have been inserted only for the purposes of convenience, are not part of this Environmental Agreement, and shall not be deemed in any manner to modify, explain, expand, or restrict any of the provisions of this Environmental Agreement.

b. It is expressly understood and agreed that this Environmental Agreement has been freely and voluntarily negotiated, jointly drafted and entered into by each of the Parties. The Parties acknowledge that this Environmental Agreement has been negotiated at arms-length

and, therefore, agree that any rule of construction of contracts resolving any ambiguities against the drafting party is waived and shall be inapplicable to this document. The Parties waive the provisions of California Civil Code Section 1654, which provides, in pertinent part, that “the language of a contract should be interpreted most strongly against the party who caused the uncertainty to exist.”

9. Recitals. The recitals set forth at the beginning of this Environmental Agreement shall not be admissible to prove the truth of the matters asserted therein in any action or proceeding other than in an action or proceeding brought to enforce the terms of this Environmental Agreement, nor do any of the Parties intend such recitals to constitute admissions of fact by any of them.

10. Benefit of Counsel. The Parties acknowledge that they have had the benefit of counsel of their own choice and have been afforded an opportunity to review this Environmental Agreement with their chosen counsel. The Parties further acknowledge that each of them, through their respective counsel, participated in the preparation of this Environmental Agreement.

11. Investigation. Each of the Parties has made such investigation of the facts pertaining to this Environmental Agreement as she or it deems necessary. Each of the Parties hereto understands that if any fact with respect to any matter covered by this Environmental Agreement is found hereafter to be other than, or different from, the facts now believed by such party to be true, such Party hereto expressly accepts and assumes the risk of such possible difference in facts and agrees that this Environmental Agreement shall become and remain effective notwithstanding such different facts.

12. Integration. Except as otherwise stated in this Environmental Agreement or the Purchase and Sale Agreement and its attachments (including, without limitation, the Holdback Agreement and the Post-Closing License), this Environmental Agreement and the Purchase and Sale Agreement and its attachments (including, without limitation, the Holdback Agreement and the Post-Closing License) constitute the entire agreement between the Parties with respect to the subject matter of this Environmental Agreement, superseding any and all prior or contemporaneous agreements, representations, covenants, negotiations, or understandings, whether oral or written, between the Parties, if any, relating to its subject matter.

13. Amendments. This Environmental Agreement shall not be modified by any oral representation made before, concurrently with, or after the execution of this Environmental Agreement. The terms and provisions of this Environmental Agreement may not be waived, altered, modified, or amended except in writing duly signed by the Parties and specifically referring to this Environmental Agreement.

14. Third Parties. Nothing in this Environmental Agreement is intended or shall be construed to give any person, other than the Parties, Indemnified Parties, and their respective successors, any legal or equitable right, remedy, or claim under or with respect to this Environmental Agreement or any provisions contained herein, except as expressly provided herein.

15. No Waiver. No waiver by any Party or Indemnified Party of any failure or refusal by a Party to comply with its obligations shall be deemed a waiver of any other or subsequent failure or refusal to so comply. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.

16. Counterparts. This Environmental Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. A signed copy of this Environmental Agreement transmitted by email, DocuSign or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Environmental Agreement for all purposes and shall create a binding document.

17. Authority. Each person executing this Environmental Agreement represents that the Party on whose behalf the person is executing this Environmental Agreement has duly authorized the execution of this Environmental Agreement and that such person is authorized to execute the Environmental Agreement on behalf of such Party.

18. Severability and Savings. If any provision of this Environmental Agreement is determined to be invalid or unenforceable under the laws of any jurisdiction, the invalidity or unenforceability will not affect the other provisions of this Environmental Agreement, and all provisions not affected by such invalidity or unenforceability will remain in full force and effect. The offending provision (or part of the provision, as applicable) will be modified to be valid and enforceable while achieving to the greatest possible extent, the economic, legal, and commercial objectives of the invalid or unenforceable provision.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Environmental Agreement as of the dates set forth below.

Remainder of this page intentionally left blank.

Signature page(s) follow(s).

**ESTATE OF JOHN A. THOMAS
AKA JOHN ALFRED THOMAS**

By: Wells Fargo Bank, N.A., Special Administrator

By: _____

Name: _____

Its: _____

LINDA L. THOMAS, individually and as
trustee of the Linda Thomas Family Trust
dated September 23, 2002

AREA EIGHT ENTERPRISES, LLC,
a California limited liability company

By: _____

Name: _____

Its: _____

[Buyer information]

By: _____

Name: _____

Its: _____

[XYZ info]

By: _____

Name: _____

Its: _____

EXHIBIT "G"

FORM OF POST-CLOSING LICENSE AGREEMENT

This Post-Closing License Agreement dated _____ (this "**Agreement**") is entered into between _____ ("**Licensee**") and _____ ("**Entity**") in connection with the acquisition by Entity from Licensee of certain real property located in Orange County, California (the "**State**"), as more particularly described in Schedule 1 attached hereto and incorporated herein by this reference (the "**Property**").

Entity hereby grants a revocable, non-exclusive license (the "**License**") to allow Licensee and those of its tenants, lessees and licensees designated by Licensee, and its and their agents, employees and contractors (collectively, "**Licensee Parties**") to enter onto the Property for a term of thirty (30) days after the date of this Agreement ("**Expiration Date**"), for the sole and exclusive purpose of removing from the Property vehicles, tools, equipment, supplies and other tangible personal property located on the Property. Licensee acknowledges and agrees that the License is not coupled with an interest, does not create any lease, easement, or other real estate interest in or encumbrance on the Property, and does not preclude Entity from undertaking any activity on or with respect to the Property that does not interfere with the License granted hereunder. Notwithstanding any contrary provision of this Agreement or applicable law, this Agreement and the License granted hereunder is irrevocable.

Licensee agrees to the following provisions as a condition to any entry onto the Property by any of the Licensee Parties pursuant to the License:

During the term of the License, Licensee shall maintain the insurance coverage set forth on Schedule 2 attached hereto and incorporated herein by this reference.

Licensee agrees to and shall indemnify, defend and hold harmless Entity from and against any and all Claims (as such term is defined in that certain Environmental Claims Assignment, Release, and Environmental Agreement entered into by Licensee, [Buyer], and [XYZ] concurrently with this Agreement [the "**Environmental Agreement**"]) brought or asserted against Entity, or payable by or asserted to be payable by Entity, as a result of, caused by, related to, or arising in any way out of and/or in connection with: (a) entry onto the Property by any Licensee Parties pursuant to the License; (b) any activity, work, or things done by any Licensee Parties on the Property during the term of the License, including, without limitation, any of the following in connection with, related to, or arising in any way out of any entry, activity, work, or things done by any Licensee Parties on the Property during the term of the License: (i) any and all releases or threatened releases of Hazardous Materials (as such term is defined in the Environmental Agreement) on, at, beneath, about or, emanating from the Property; (ii) the requirements of, compliance with, or violation of any local, state or federal law, regulation, code, or ordinance, however termed, relating to the treatment, handling, transport, storage, or disposal of Hazardous Materials; (iii) the release of Hazardous Materials on, at, beneath, about, or emanating from the Property; or (c) any breach or default in the performance of any obligation on Licensee's part to be performed under the terms of the License, arising from any negligence of Licensee or any Licensee Parties in exercising the License under this Agreement. If any Claim is brought or made against Entity, Licensee shall, upon notice from Entity, assume the investigation and defense

thereof, including the employment of counsel selected by Licensee to represent Entity and, *inter alia*, litigation costs and expenses and consultant and expert fees. Licensee, as a material part of the consideration to Entity, hereby assumes all risk of damage to the property of all Licensee Parties or personal injury to all Licensee Parties in, upon or about the Property arising from any cause, and Licensee hereby waives all claims in respect thereof against Entity. Licensee's obligations of indemnity hereunder shall survive the termination or expiration of the License.

Licensee shall not damage or cause waste to any of the Property, and any entry onto and activities while on the Property shall be subject to, and conducted in accordance with, all applicable laws. Upon completion of the activities of Licensee Parties conducted pursuant to the License and prior to the Expiration Date, Licensee shall restore (or cause to be restored) any damage to the Property incurred in connection with such activities to the extent that such damage would materially increase the cost of the future development of the Property for residential purposes.

It is the intention of the parties hereto that the License is made for the sole benefit of Licensee and the Licensee Parties, and in no event shall Licensee have any right to assign its rights and/or obligations under the License and/or this Agreement without the prior written consent of Entity, in its sole and absolute discretion. Any attempted assignment or encumbrance in violation of this paragraph shall be null and void.

In the event of any litigation or other legal proceedings between the parties to this Agreement, the prevailing party as determined by the court, shall be entitled to the payment by the non-prevailing party or parties of its reasonable attorneys' fees, court costs and litigation expenses, as determined by the court.

This Agreement shall be construed under, governed by, and enforced in accordance with the laws of the State, without giving effect to any of the principles of conflicts of law. This Agreement may not be modified or amended without the prior written consent of Entity and Licensee.

Neither this Agreement nor any memorandum pertaining to this Agreement shall be recorded.

This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall be deemed an original, but all of which shall constitute a single License. Signatures delivered via electronic pdf or DocuSign shall be acceptable as original signatures.

If any provision hereof shall be determined by a court to be unenforceable, then such determination shall not affect the remainder of the provisions hereof and this Agreement shall be severable to that extent.

Licensee shall at all times, at its expense, comply with all existing and future laws, codes, ordinances, orders, rules, regulations, and requirements of all municipal, county, State, and federal governmental authorities pertaining to Licensee's exercise of the License granted herein.

Licensee shall at all times keep the Property free and clear of all liens and encumbrances incurred by or resulting from the acts of Licensee or its agents, employees, contractors, subcontractors, suppliers, consultants, representatives, and licensees pursuant to the License.

This Agreement (including any documents referred to herein) constitutes the entire agreement between the parties and supersedes any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they related in any way to the subject matter hereof.

This Agreement shall be void if not executed by both parties, and shall be effective upon execution by both parties.

“LICENSOR”	“LICENSEE”
<div data-bbox="300 583 602 596" style="text-align: center;">_____</div> <div data-bbox="203 674 755 705">By: _____</div> <div data-bbox="203 707 755 739">Its: _____</div>	<div data-bbox="824 583 1105 596" style="text-align: center;">_____</div> <div data-bbox="824 707 1373 739">By: _____</div> <div data-bbox="824 741 1373 772">Its: _____</div>

SCHEDULE 1 TO POST-CLOSING LICENSE
PROPERTY

SCHEDULE 2 TO POST-CLOSING LICENSE

Licensee shall not enter upon any of the Property until it has provided Entity with evidence of compliance with all of the insurance requirements set forth in this Schedule 2.

A. Licensee shall maintain, at its own expense, or cause each Licensee Party to maintain, with a reputable insurer or reputable insurers licensed in the state of California, at least the following minimum insurance coverages prior to entering upon any of the Property and at all times during the term of the License set forth in the Agreement to which this Schedule 2 is attached (the "Agreement"). Initially capitalized terms used and not otherwise defined in this Schedule 2 shall have the meanings given to them in the Agreement.

1) Commercial General Liability. Commercial general liability insurance (ISO form CG 00 01 12 07, or a form equivalent in coverage and acceptable to Entity) on an occurrence policy form ("modified occurrence" and "claims-made" are not acceptable), including premises-operations, with limits of liability of not less than \$2,000,000 bodily injury and property damage per occurrence and \$2,000,000 general aggregate limit, or limits carried, whichever are greater, and with deductibles or self-insured retentions acceptable to Entity and clearly stated on the certificates of insurance evidencing coverage. Entity must be included by endorsement as additional insured as outlined in the Additional Insured section of this Schedule 2.

All liability policies shall provide, without limitation, (a) full separation of insureds, (b) contractual liability coverage (unmodified ISO form CG 00 01 12 07 language or an equivalent acceptable to Entity, including coverage to the maximum extent possible for the indemnification contained in the Agreement), (c) a "Primary and Noncontributory" Endorsement (ISO form CG 20 01 04 13, or an equivalent acceptable to Entity), and (d) that Entity is allowed to satisfy any deductibles or self-insured retentions. The required limits of liability may be provided by a combination of primary and umbrella and/or excess liability policies, all written on an occurrence policy form ("modified occurrence" and "claims made" forms are not acceptable), with umbrella/excess coverage at least as broad as the primary general liability insurance. Licensee waives all rights against Entity and Entity and any of its affiliates, members, managers, shareholders, owners, officers, directors, partners, employees, agents, successors and assigns (collectively, "Indemnitees") for recovery of loss, injury and/or damages to the extent such loss, injury and/or damages are covered by the commercial general liability insurance maintained by Licensee or would be covered to the extent Licensee maintained such coverage as required herein.

2) Workers' Compensation. Workers' compensation insurance for employees (if any) of Licensee with statutory limits complying with the laws of the State.

3) Auto Liability. Automobile liability insurance with limits of liability not less than \$1,000,000 each accident, or limits carried, whichever is greater, with a deductible or self-insured retention amount acceptable to Entity. The automobile liability insurance shall be written on a policy form acceptable to Entity and shall include, without limitation, contractual liability coverage and insured status for Entity. Licensee waives all rights against Entity and the other Indemnitees for recovery of loss, injury and/or damages to the

extent such loss, injury and/or damages are covered by the automobile liability insurance maintained by Licensee or would be covered to the extent Licensee maintained such coverage as required herein. The required limits may be provided by a combination of primary and umbrella and/or excess liability policies, with umbrella/excess coverage at least as broad as the primary automobile liability insurance.

- B. Additional Insured Endorsement. Entity shall be added as an additional insured to the Commercial General Liability policy by issuance of ISO form CG 20 10 07 04 or an equivalent acceptable to Entity. All Additional Insured Endorsements shall include the following wording, and such other persons and entities as may from time to time be designated by Entity in writing: “[Entity], including its subsidiaries, affiliates, successors and assigns, is an additional insured to the full extent assumed under written contract.” The coverage provided to the additional insureds must be at least as broad as that provided to Licensee and may not contain any additional exclusionary language or limitations applicable to the additional insureds.
- C. Any insurance policies required of or maintained by Licensee pursuant to the Agreement may not contain any exclusions or limitations applicable to additional insured vs. named insured claims or suits.
- D. Prior to entering upon any of the Property, Licensee shall deliver to Entity the endorsements and waivers of subrogation referred to in this Schedule 2, as well as certificates of insurance evidencing the coverages referred to in this Schedule 2. Promptly upon Entity’s request, Licensee shall deliver to Entity a copy of any and all of the insurance policies and other insurance documents required by this Schedule 2. In the case of policies expiring during the term of the License set forth in the Agreement, a renewal certificate with all applicable endorsements must be received at the business office of Entity prior to the expiration of the existing policy or policies. Permitting Licensee to enter upon any of the Property prior to compliance with these requirements shall not constitute a waiver thereof. Each certificate and endorsement must be executed by an authorized agent of the respective insurers. Licensee must provide Entity with thirty (30) days advance written notice of cancellation or non-renewal and ten (10) days’ notice in the event of cancellation for non-payment of premium. Certificates issued by the carrier(s) shall include the following wording:

CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED
POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE
THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH
THE POLICY PROVISIONS.

- E. All insurance referred to in this Schedule 2 to be carried by Licensee shall be maintained by Licensee at its sole expense, with insurance carriers qualified to do business in the State and maintaining a rating of not less than A-, VII from A.M. Best & Co., unless Entity, in writing, in its sole discretion, accepts a lower Best’s rating.
- F. In the event Licensee fails to secure or maintain any policy of insurance required hereby, Entity, at its sole discretion and election, may deny entry to the Property pursuant to the

License set forth in the Agreement in addition to, and Entity shall retain, all remedies thereunder for breach of the Agreement.

- G. The insurance requirements set forth herein are independent of Licensee's indemnification and other obligations under the Agreement and at law. Nothing in this Schedule 2 shall be construed to limit or alter any of the other obligations of Licensee under the Agreement, at law, or otherwise, including, without limitation, Licensee's indemnification obligations. Nothing contained herein shall be construed as limiting the type, quality, or quantity of insurance Licensee should maintain or the extent of Licensee's responsibility or liability for damages or other relief under the Agreement or otherwise. Neither receipt nor acceptance of policies, endorsements or certificates, whether or not showing less or different coverage than required herein, nor any other forbearance or omission by Entity with respect to these insurance requirements or otherwise shall be deemed a waiver of, or estoppel to assert, any right of Entity regarding these insurance requirements. Licensee shall be solely responsible to pay any loss amount for which Licensee is liable under the Agreement that lies within the deductible(s) or self-insured retention(s) of Licensee's policies, up to the maximum amount of the deductible(s) or self-insured retention(s).
- H. None of the requirements contained herein shall relieve Licensee of its obligations to exercise due care while on any of the Property or to act in strict compliance with the Agreement.
- I. With regard to its personal property and its property insurance (if any), Licensee agrees and acknowledges as follows:
- 1) Licensee shall be solely responsible for any loss or damage to its tools, equipment and other personal property and that of its employees, agents, and others acting on its behalf (collectively, "**Personal Property**"). Licensee, at its option and own expense, may purchase and maintain insurance for such Personal Property and any deductible or retention in relation thereto shall be its sole responsibility. Any such insurance shall be the sole source of recovery in the event of loss or damage to any Personal Property. Any such insurance purchased and maintained by Licensee shall include a waiver of subrogation as to Entity and its affiliates.
 - 2) Licensee waives all rights of recovery, whether under subrogation or otherwise, against Entity and its affiliates for (a) loss or damage covered by Licensee's property insurance and (b) loss or damage to any Personal Property. Licensee shall require the same waivers from each of the insurers issuing property insurance policies maintained by Licensee in connection with the Property and/or any exercise of any rights under the Agreement. The waivers of recovery, including, subrogation, referred to in this subparagraph shall be effective as to any individual or entity even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property that is the subject of the loss or damage. If the policies of insurance require an endorsement to effectuate the waivers of

subrogation required hereunder, the parties procuring such policies will cause them to be so endorsed at their own expense.

- J. Any type of insurance or any increase of its limits of liability not described above that Licensee requires for its protection, or on account of statute, shall be its own responsibility and at its own expense.

EXHIBIT “H”

SELLER’S DISCLOSURES

Section 8.1.4 disclosures:

- Thomas Oilers Leaseholds.
- Agreement(s) with the Brindle-Thomas partnership, the Estate of Ronald I. Brindle, the Estate of Emily Ann Brindle, the Brindle Family Trust, and/or persons or entities associated with the foregoing for use of the “tank farm” on Main Yard, together with pipelines running thereto. Seller’s position is that such agreement(s) is/are terminable at will.

Section 8.1.9 disclosures:

Area 8

- Turley 3 well (API 0405901857) (plugged).
- Turley 4 well (API 0405901858) (plugged).
- Lease by W.E. Nicolai & Son 19 well (API 0405902189) (plugged).
- Columbia 1-2 well (API 0405904378) (plugged).
- Lease by Huntington Beach Company B-1 well (API 0405901926) (plugged).

Main Yard

- Catalina 2 well (API 0405901601) (active).
- Concord 2 well (API 0405902038) (active).
- Concord 3 well (API 0405902039) (idle).
- Lease by Rex Oil Co. 2 well (API 0405902312) (plugged).
- Lease by Thomas Oilers 5 well (API 0405902031) (plugged).
- Lease by Thomas Oilers 9 well (API 0405902034) (plugged).
- Paige 1 well (API 0405904400) (plugged).
- Swartzbaugh 1 well (API 0405901320) (idle).
- Towers (nct-2) 5 well (API 0405904371) (plugged).
- Towers (nct-2) 6 well (API 0405904372) (plugged).
- Towers 3 well (API 0405902029) (active).
- Towers 4 well (API 0405902030) (active).
- Woolner 1 well (API 0405901609) (plugged).
- Young 1 well (API 0405901610) (plugged).

East Yard

- Adele 1 well (API 0405901547) (plugged).
- Adele 2 well (API 0405901548) (plugged).
- Adele 3 well (API 0405904772) (plugged).
- Adele 4 well (API 0405901549) (plugged).
- Savage 2 well (API 0405904356) (plugged).
- Towers 4 well (API 0405904368) (plugged).

Tanks, pipelines, and other equipment used or formerly used in conjunction with or appurtenant to the foregoing.

EXHIBIT “I”

BUYER’S CONFLICT OF INTEREST DISCLOSURE

1. **WELLS FARGO BANK, N.A. (“WELLS FARGO”) AFFILIATION AND CONTROL PERSON.** Buyer is not an employee or “control person” of Wells Fargo or any affiliate, subsidiary or parent of Wells Fargo. A “control person” includes a director, policy-making officer, or 10% stockholder.
2. **WELLS FARGO BANK AFFILIATE BUSINESS ENTITY.** Buyer is not a subsidiary, parent, affiliate, or agent acting on behalf of a subsidiary, parent, or affiliate of Wells Fargo.
3. **ERISA MATTERS.** Buyer is not an “employee benefit plan” (a “Plan”) as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), an asset of such a Plan, or a person acting for the benefit of such a Plan.

Buyer represents and warrants that it is a [corporate organization information, as applicable].