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# ATTACHMENT A

## PART 1 OF 2

**PURCHASE AND SALE AGREEMENT**

**Between**

**Pacific Gas and Electric Company, as Seller**

**and**

**SummerHill Homes, LLC, as Buyer**

**Unimproved Property**

\_\_\_\_\_, 2019

September 27, 2019

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**PACIFIC GAS AND ELECTRIC COMPANY**  
**STANDARD PURCHASE AND SALE AGREEMENT**

**(Unimproved Property)**

THIS PURCHASE AND SALE AGREEMENT ("Agreement"), dated for reference purposes only as of ~~September 27, 2019~~ 2019, is made by and between **PACIFIC GAS AND ELECTRIC COMPANY**, a California corporation ("Seller"), and **SUMMERHILL HOMES, a California limited liability company** ("Buyer"). Unless otherwise specifically provided herein, all provisions of this Agreement shall be effective as of the date Buyer and Seller have each fully executed and delivered this Agreement to the Title Company and the Title Company has accepted the escrow by executing this Agreement and writing the such date of acceptance ("Effective Date") on the Agreement and delivering a fully executed copy to Buyer and Seller, as set forth herein.

**R E C I T A L S:**

A. Seller is the owner of that certain parcel of unimproved real property located in the City of San Jose ("City"), County of Santa Clara ("County") and State of California, identified by the County Assessor as Assessor's Parcel Nos. 701-48-057 and 701-58-048, the State Board of Equalization as SBE Nos. 135-43-055E 1, 2, 3, 4, 5, and more particularly described in Exhibit A (such real property, together with all easements, rights and privileges appurtenant thereto, is hereinafter referred to collectively as the "Property").

B. Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller, on the terms and conditions contained in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. **PURCHASE AND SALE**

Subject to the terms and conditions contained in this Agreement, Seller shall sell and convey the Property to Buyer, and Buyer shall purchase the Property from Seller, for a purchase price of Ten Million and 00/100 Dollars (\$10,000,000) ("Purchase Price"), at the Close of Escrow (as defined in Section 3.3). In the event the City approves Entitlements (as defined in Section 3.1) for more than fifteen (15) single family detached units, the Purchase Price shall be increased by six hundred thousand and 00/100 dollars (\$600,000) for each approved single family detached unit more than such fifteen-unit threshold, for a maximum of two (2) units. In no event shall the Purchase Price be increased to be greater than Eleven Million Two Hundred Thousand and 00/100 Dollars (\$11,200,000).

2. **PAYMENT OF PURCHASE PRICE**

Buyer shall pay the Purchase Price for the Property to Seller as follows:

2.1 **First Deposit**

Within three (3) business days after the Effective Date of this Agreement, Buyer shall deposit an amount equal to Fifty Thousand and 00/100 Dollars (\$50,000) ("First Deposit") in escrow with First American Title Insurance Company at its office located at 1737 North First Street, San Jose, California, 95112, Attn: Linda Tugade, 408-579-8340, ltugade@firstam.com ("Title Company"). The First Deposit shall be considered to have been deposited only if it is made by bank wire transfer, certified check or cashier's check payable to the Title Company and drawn by a commercial bank or savings and loan association having a branch in and licensed to do business in the State of California. Buyer's failure to deliver the First Deposit as required shall entitle Seller, by written notice to Buyer, to terminate this Agreement as of the date of the notice. The

First Deposit shall be held in escrow during the Inspection Period (defined in Section 5.2) with the interest earned thereon inuring to the benefit of Buyer. Title Company shall release the First Deposit to Seller within three (3) business days after the expiration of the Inspection Period only if, during or at the end of the Inspection Period, Buyer delivers to Seller and Title Company written notice approving the condition of the Property and electing to proceed with the transaction. Upon release to Seller, the First Deposit shall become nonrefundable to Buyer, except as otherwise provided in this Agreement. If this Agreement is terminated or deemed terminated during or at the end of the Inspection Period, Seller hereby authorizes Title Company to immediately release the First Deposit (and all of the interest earned on the First Deposit) to Buyer without any additional documentation required from the parties. Seller releases Title Company from all liability in connection with the release of the First Deposit to Buyer in accordance with the preceding sentence, and following such release of the First Deposit, neither party shall have any further rights or obligations hereunder (other than those arising from a party's breach of this Agreement). Concurrently with the release of the First Deposit to Seller, Title Company shall cause the Memorandum of Agreement to be recorded in the Official Records of the County. Title Company shall not release the First Deposit to Seller until Title Company holds the Memorandum of Agreement in recordable form and is irrevocably prepared and committed to recording same against the Property. As a further condition to the recordation of the Memorandum of Agreement, Buyer shall deposit into the escrow a Termination of Memorandum of Agreement removing the Memorandum of Agreement from record, duly executed by Buyer in recordable form. Upon a termination of this Agreement, Title Company is instructed by the parties to record the Termination of Memorandum of Agreement removing the Memorandum of Agreement from record. Notwithstanding any provision to the contrary contained in this Agreement, Seller and Buyer agree that One Thousand and 00/100 Dollars (\$1,000.00) of the First Deposit shall be paid to Seller in all events as consideration for Buyer's right to inspect the Property and for Seller's execution, delivery and performance of this Agreement, the sufficiency of which is acknowledged by Seller ("Independent Consideration"). The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, applicable to the Purchase Price, and, notwithstanding any other provision of this Agreement, shall be retained by Seller if this Agreement terminates for any reason.

## 2.2 Second Deposit

If this Agreement has not previously been terminated, within three (3) business after of expiration of the Inspection Period, Buyer shall deposit Two Hundred Thousand and 00/100 Dollars (\$200,000) ("Second Deposit") in escrow with the Title Company. The Second Deposit shall be considered to have been deposited only if it is made by bank wire transfer, certified check or cashier's check payable to the Title Company and drawn by a commercial bank or savings and loan association having a branch in and licensed to do business in the State of California. Buyer's failure to deliver the Second Deposit as required shall entitle Seller, by written notice to Buyer, to terminate this Agreement as of the date of the notice. The Second Deposit is initially refundable to Buyer, but shall become nonrefundable and released to Seller, upon the satisfaction of the following two conditions: (a) the earlier to occur of (i) Buyer's receipt of Final Approval for a General Plan Amendment permitting residential use of the Property (see generally, Section 3 below) and (ii) January 31, 2021 (the "Outside Entitlement Date"); and (b) Seller's receipt of Regulatory Approval and Court Approval (see Sections 7.3 and 7.4 of this Agreement). Buyer shall have the right to terminate this Agreement by delivery of written notice to Seller and Title Company until both of the conditions set forth in Section 2.2(a) and 2.2(b) above have been fully satisfied, and until such conditions are satisfied the Second Deposit shall be fully refundable to Buyer and shall be returned to Buyer upon such termination or if Seller does not obtain Regulatory Approval and Court Approval.

## 2.3 Third Deposit

If this Agreement has not previously been terminated, within five (5) business days after the satisfaction or waiver of the condition set forth in Section 2.2(a) above, Buyer shall deposit Five Hundred Thousand Dollars (\$500,000) ("Third Deposit"; together with the First Deposit and Second Deposit, the "Deposits") in escrow with the Title Company. The Third Deposit shall be considered to have been deposited only if it is made by bank wire transfer, certified check or cashier's check payable to the Title Company and drawn by a commercial bank or savings and loan association having a branch in and licensed to do business in the State of California. Buyer's failure to deliver the Third Deposit as required shall entitle Seller, by written

notice to Buyer, to terminate this Agreement as of the date of the notice and to retain the First Deposit and Second Deposit. The Second Deposit and the Third Deposit shall only become nonrefundable to Buyer and shall only be released to Seller if Seller has received Regulatory Approval and Court Approval. Notwithstanding anything to the contrary in this Agreement the Second Deposit and the Third Deposit shall be fully refundable and shall be returned to Buyer if Seller does not obtain Regulatory Approval and Court Approval.

#### 2.4 Release of Deposits

The provisions hereof shall constitute joint instructions to Title Company to consummate the purchase in accordance with the terms and provision hereof. The parties shall execute such additional escrow instructions, not inconsistent with the provisions hereof, as may be deemed reasonably necessary to carry out the intentions of the parties as expressed herein; provided, however, if the provisions of any such additional instructions contradict with the provisions of this Agreement, then the provisions of this Agreement shall control. Title Company is instructed to hold and release the Deposits to Seller and Buyer in accordance with this Agreement. In the event that Seller has not received a Deposit within five (5) business days of the date such Deposit should have been released to Seller and such delay is a result of Buyer's failure to perform in accordance with this Section 2.4, Seller shall have the right to terminate this Agreement by written notice to Buyer and to retain any Deposits previously released to Seller.

#### 2.5 Balance of Purchase Price

At least one (1) business day before the Closing Date, Buyer shall deposit in escrow with the Title Company an additional sum equal to the balance of the Purchase Price in immediately available funds for delivery to Seller at the Close of Escrow, plus or minus any pro-rations and adjustments made pursuant to this Agreement.

### 3. ESCROW

#### 3.1 Establishment and the Close of Escrow

Within three (3) business days after the Effective Date of this Agreement, Buyer shall open an escrow ("Escrow") with the Title Company by delivering to the Title Company, the First Deposit and a fully-executed copy of this Agreement. The Deposits shall be held in Escrow in a federally insured, interest-bearing account. Subject to the extensions set forth below, the Close of Escrow shall occur no later than 5:00 p.m. California time on a date (such date for the close of Escrow is hereby referred to herein as, the "Closing Date") on or before ten (10) business days following the sooner to occur of: (i) Buyer obtaining Final Approval of a tentative tract map for the Property (the "Tentative Map"), or (ii) twenty-four (24) months following the expiration of the Inspection Period (see Section 5.2) (the "Outside Closing Date"); provided, however, such close of Escrow shall be subject to and conditioned upon satisfaction of the following: (a) Seller shall have received approval of the California Public Utilities Commission ("CPUC") Federal Energy Regulatory Commission ("FERC"), and United States Bankruptcy Court as more specifically set forth in Section 7.3 and 7.4; (b) all conditions precedent set forth in Section 7 have been satisfied or waived by each of the parties, as more specifically set forth in Section 7; and (c) such Regulatory and Court Approval shall have been received by Seller no less than thirty days prior to the Outside Closing Date. If Seller has not received Regulatory Approval and Court Approval at least thirty (30) days prior to the Outside Closing Date, the Closing Date shall automatically be extended until thirty (30) days after the Regulatory Approval and Court Approval are obtained for up to a maximum extension period of twelve (12) additional months (such extended Closing Date is hereinafter referred to as the "Extended Outside Closing Date") to allow Seller additional time to seek and obtain Regulatory and Court Approval. If the Close of Escrow has not occurred on or before the Extended Outside Closing Date as a result of Seller's failure to obtain Regulatory Approval and Court Approval, then either Buyer or Seller may terminate this Agreement and the Escrow by giving written notice of such termination to the other party and the Title Company, in which event Buyer shall be entitled to the return of (i) the Second Deposit and the Third Deposit, any interest earned thereon while in Escrow, less the Independent Consideration, and (ii) any Option Payments paid. After the delivery of such notice of termination, this Agreement, the Escrow and the rights and obligations of the parties

hereunder shall terminate as of the date of such notice, except for obligations that expressly survive the termination of this Agreement. In such event, Buyer shall take all steps necessary to transfer any entitlements, permits, and approvals obtained by Buyer, to Seller. This Agreement shall otherwise remain in full force and effect until delivery of a written termination notice by Buyer or Seller as set forth above. Notwithstanding any of the foregoing to the contrary in this Agreement, if Seller fails to diligently and in good faith pursue the Regulatory Approval, defined as submitting the request for approval package to each agency within ninety (90) days following the termination of the Inspection Period, Buyer shall have the right to seek specific performance of Seller's obligation to seek the Regulatory Approval, in which case the costs incurred by Buyer in obtaining specific performance shall be applied as a credit against the Purchase Price.

As used in this Agreement, any general plan or specific plan amendment, rezoning, Tentative Map, architectural approval or any other entitlement for Buyer's proposed development of the Property (including, without limitation, compliance with the California Environmental Quality Act) (collectively, "Entitlements"), shall be deemed to have been "Finally Approved" or shall have received "Final Approval" at such time as the City and all other applicable governmental bodies and authorities have issued their final approval of such map or other entitlement, subject to terms and conditions acceptable to Buyer in its sole discretion, and all appeal periods for such final approval have expired without the filing of any Challenge or Appeal (or if a Challenge or Appeal has been filed, including subsequent appeals that may be filed, then on the date the Challenge or Appeal has been resolved on terms satisfactory to Buyer). As used herein, a "Challenge or Appeal" shall mean any lawsuit, challenge, appeal, referendum, initiative, rescission or development or utility moratorium (either administratively or pursuant to other legal process), or any challenge or appeal alleging the failure of the City or other required parties to comply with the California Environmental Quality Act or other legislation, in connection with any of the Entitlements. Notwithstanding anything in this Agreement to the contrary, absent a Challenge or Appeal, the Tentative Map shall be deemed Finally Approved ninety (90) days after approval of said Tentative Map by the City of San Jose Director of Planning or other applicable agency with jurisdiction.

Notwithstanding anything to the contrary herein, nothing in this Agreement is subject to or conditioned on Buyer obtaining or recording a final map, or parcel map for the Property.

During Escrow, for any application submitted to any government agency, as part of the process of obtaining the Entitlements, Buyer shall first submit draft application materials to Seller for review. Seller shall have ten (10) business days to comment thereon. Thereafter, Buyer shall incorporate any and all of Seller's reasonable comments into such application before such applications are submitted to the agency. Notwithstanding anything to the contrary contained in this Agreement, the Outside Closing Date shall automatically be extended by the number of days utilized by Seller to review and provide comments to any such application or materials, by the number of days reasonably used or necessary to incorporate Seller's comments into any such application and by any delay caused in the approval of such application due to the review or incorporation of Seller's comments, not to exceed ninety (90) total days.

Notwithstanding anything to the contrary herein and subject to any automatic extension due to the lack of Regulatory Approval or Court Approval, Buyer shall have one option to extend the Close of Escrow by ninety (90) days if it has not yet received Final Approval of the Tentative Map by the then scheduled Closing Date. To exercise this right, Buyer must so-notify Seller in writing at least thirty (30) days before the then scheduled Closing Date and deposit Fifty Thousand Dollars (\$50,000) with the Title Company ("Option Payment"). The Option Payment shall be considered to have been deposited only if it is made by bank wire transfer, certified check or cashier's check payable to the Title Company and drawn by a commercial bank or savings and loan association having a branch in and licensed to do business in the State of California. Upon deposit, the Option Payment shall be immediately released to Seller. The Option Payment is non-refundable, and shall not be applied towards the Purchase Price.

### 3.2 Final Deposits into Escrow

(a) At least one (1) business day before the Closing Date, Buyer shall deposit or cause to be deposited with the Title Company the following:

pursuant to Section 2.5;

- (i) The balance of the Purchase Price to be deposited by Buyer

- (ii) Buyer's share of the fees and charges described in Section 3.4;

- (iii) The amount, if any, payable to Seller pursuant to Section 3.5;

- (iv) Buyer's counterpart of the joint escrow instructions to the Title Company in the form attached hereto as Exhibit B ("Joint Escrow Closing Instructions"), and any other instructions Buyer may deem necessary which are not inconsistent with the terms of this Agreement;

- (v) Such other instruments and documents as are reasonably required by the terms of this Agreement or by the Title Company.

- (b) At least one (1) business day before Close of Escrow, Seller shall deposit or cause to be deposited with the Title Company the following:

- (i) A grant deed, prepared and duly executed by Seller in recordable form, conveying fee title to the Property to Buyer attached hereto as Exhibit C ("Grant Deed");

- (ii) Affidavits certifying that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended, and California Revenue and Taxation Code Section 18662(e) ("Affidavits");

- (iii) Seller's counterpart of the Joint Escrow Closing Instructions and any other instructions Seller may deem necessary which are not inconsistent with the terms of this Agreement; and

- (iv) Such other instruments and documents as are reasonably required by the terms of this Agreement or by the Title Company, including an Owner's Affidavit, if required by the Title Company to issue the title insurance policy to Buyer described in Section 4.4, in a form approved by Seller, in Seller's sole and absolute discretion.

### 3.3 Closing

The "Close of Escrow" shall be defined herein as the time that the Grant Deed is recorded in the official records of the County. After all the requirements of Section 3.2 have been satisfied and all conditions precedent set forth in Section 7 have been satisfied or waived, the parties shall instruct the Title Company to close escrow by, among other actions:

- (a) Recording the Grant Deed and instructing the Santa Clara County Recorder to deliver the Grant Deed to Buyer after recording;

- (b) Delivering to or for the account of Seller, any remaining Purchase Price paid by Buyer pursuant to Section 2.1, Section 2.2 and Section 2.3 of this Agreement, and the amount, if any, payable to Seller pursuant to Section 3.5;

- (c) Delivering to Seller, "as-recorded" conformed copies of the Grant Deed; and

- (d) Delivering to Buyer, the Affidavits and "as-recorded" conformed copies of the Grant Deed and issuing and delivering to Buyer the title insurance policy described in Section 4.4.

### 3.4 Costs

Seller and Buyer shall pay all transfer taxes and closing costs as follows:

- (a) Seller shall pay the cost of the recording fees for recordation of the Grant Deed; and
- (b) Seller shall pay any real property conveyance or documentary transfer taxes charged by the County, with Buyer and Seller equally sharing the costs of any similar charges imposed by the City, if any, with respect to the Grant Deed.
- (c) Seller shall pay any escrow fees charged by the Title Company, though Buyer shall pay the premium and endorsement charges for the policy of title insurance described in Section 4.4. Buyer shall additionally pay the cost of any ALTA or other survey required by the Title Company in order to issue the policy of title insurance described in Section 4.4.

### 3.5 Pro-rations

(a) Rents and other charges under any leases, utility charges, payments under any maintenance agreements or service contracts (provided such maintenance agreements and/or service contracts are assumed by Buyer), and all other income and expense items related to the Property shall be prorated as of the Close of Escrow. The net amount due Seller from Buyer under this Section 3.5(a), if any, shall be delivered by Buyer to the Title Company before the Close of Escrow. The net amount due Buyer from Seller under this Section 3.5(a), if any, shall be charged to Seller by the Title Company at the Close of Escrow. To the extent that the amount of any of the foregoing income and expense items shall not have been determined as of the Close of Escrow, such income and expense items shall be prorated as soon after the Close of Escrow as such amount can be determined, and Seller shall promptly pay to Buyer, and/or Buyer shall promptly pay to Seller, any amounts required by such prorations.

(b) In addition, all current general and special real estate taxes, bond interest (if applicable), assessments, improvement district assessments and similar items ("Taxes") owed at the time of the Close of Escrow shall be prorated and adjusted between Buyer and Seller as of the Close of Escrow. All installments of Taxes payable for the period occurring prior to, and that are due prior to Close of Escrow shall be paid by Seller, and the current installment of any Taxes shall be prorated as of Closing Date. If the amount of any proration cannot be determined at the Close of Escrow or if any "escape" assessments are assessed against the Property after the Close of Escrow that relate to the period before the Close of Escrow, the adjustments will be made between the parties as soon after the Close of Escrow as possible. Any supplemental assessments assessed for any time period after the Close of Escrow (including supplemental City assessments based on the increased value of the Property above the state-assessed value) are Buyer's sole responsibility. **Buyer expressly acknowledges that Seller, as a regulated public utility, pays Taxes on the Property as assessed by the California State Board of Equalization ("SBE") as of January 1 of each year. Once the Property is so assessed, Seller automatically is obligated to pay Taxes thereon for the subsequent fiscal year commencing the following July 1. In this regard, Seller represents and warrants that it has paid, or will pay, all Taxes assessed as of January 1, 2019, for tax fiscal year period from July 1, 2019, through June 30, 2020. If the Close of Escrow occurs between January 1 and June 30, Buyer shall deposit into Escrow, the full amount to pay Taxes or to reimburse Seller for Taxes paid for the tax year beginning on the July 1 immediately following the Close of Escrow, in addition to the prorated amount of Taxes for the current tax year (ending June 30). At the Close of Escrow, Taxes shall be prorated between Seller and Buyer in light of the foregoing, with Seller responsible for all Taxes allocable to the period before the Close of Escrow, and Buyer responsible for all Taxes allocable to the period on and after the Close of Escrow.** The Taxes, for proration purposes, shall be based on the actual figures for the applicable fiscal year as provided by Seller, unless Escrow is to close before these figures are available, in which case the pro-rata shall be based on the immediately preceding year's figures and subject to reconciliation between the parties following the Close of Escrow. The 365-day year shall be used for proration purposes. If applicable, Seller shall pay the Taxes for the subsequent tax year (and paid by Buyer

through Escrow) before they become delinquent; provided, however, that Seller shall have the right to pay such Taxes in installments as permitted by law. Buyer shall cooperate with Seller and the SBE to complete any documentation necessary to transfer the assessment process out of SBE jurisdiction. The obligations of the parties under this Section 3.5 shall survive the Close of Escrow.

### 3.6 Possession of Property

Seller shall deliver possession of the Property to Buyer upon the Close of Escrow, free and clear of all uses, liens, encumbrances, tenancies and occupancies except for the Permitted Encumbrances.

## 4. TITLE: TITLE INSURANCE

### 4.1 Title

It shall be a condition precedent to Buyer's obligation to purchase the Property that Seller convey title to the Property to Buyer subject only to the following exceptions ("Permitted Encumbrances"):

- (a) The lien of Taxes, not delinquent;
- (b) The title exceptions shown in the Preliminary Report dated as of June 27, 2018 and updated as of July 2, 2019, prepared by the Title Company and attached hereto as Exhibit E (the "Title Report"). The Title Company has provided Buyer with the Title Report, and copies of the instruments underlying any exceptions referred to in the Title Report, and Buyer acknowledges its receipt and approval of the Title Report and such underlying documents.
- (c) Any matters affecting title to the Property created by or with the consent of Buyer;
- (d) All matters which would be disclosed by an inspection or survey of the Property; and
- (e) Easements and other rights reserved by Seller pursuant to Section 4.2.

At the Close of Escrow, Buyer shall take title to the Property subject to the Permitted Encumbrances, and shall not be entitled to any credit against the Purchase Price with respect to any of the Permitted Encumbrances.

### 4.2 Reserved Easements and Other Third-Party Rights

Seller shall be entitled to reserve certain utility facilities easements and transfer the Property subject to third party rights as stated in the Grant Deed. Seller understands Buyer may underground the existing overhead electrical lines on the Property after the Close of Escrow. If and when undergrounding occurs, the Parties will cooperate with each other to revise Seller's easement to be consistent with the location of such undergrounded electrical facilities. Any such undergrounding work shall be performed consistent with Seller's Rule 20 process, and shall be entirely at Buyer's expense.

### 4.3 Title Objections

Title Objections. Buyer shall use diligence to obtain from the Title Company an update of the Title Report ("Title Update"), together with copies of the instruments underlying any exceptions referred to in the Title Update, within ten (10) days following the Effective Date. Within thirty (30) days following Buyer's receipt of the Title Update, Buyer shall review the Title Report and any additional title exceptions disclosed in the Title Update. In addition, within thirty (30) days after receipt of the easements to be reserved by Seller and other information disclosed by Seller pursuant to Section 4.2, if any, Buyer shall review such easements and other information, if any. Under no event shall the time periods discussed in this Section 4.3 extend

beyond the termination of the Inspection Period described in Section 5.2. The failure of Buyer to object to any such exceptions to title shown in the Title Report or Title Update within thirty (30) days following Buyer's receipt of same, or the failure of Buyer to object to any easements to be reserved by Seller or other information disclosed by Seller pursuant to Section 4.2 within thirty (30) days following Buyer's receipt of same, which objection shall be in writing and shall specifically delineate the reasons therefor, shall be deemed to be an approval by Buyer of the condition of title to the Property, except for the liens of deeds of trust or other monetary obligations to which Buyer shall not be obligated to object to and which shall not in any event constitute Permitted Encumbrances and in all events shall be removed by Seller prior to closing. If any of such exceptions to title shown in the Title Report, Title Update or proposed easements or other title matters disclosed by Seller pursuant to Section 4.2 are objectionable to Buyer, Seller may, at its sole election, agree to remove such objectionable items or otherwise satisfy Buyer with respect to such items prior to close of escrow. If Seller is unable or unwilling to remove any such objectionable items or otherwise satisfy Buyer with respect thereto (other than the liens of deeds of trust or other monetary obligations which Seller shall be required to remove prior to such closing), Buyer shall have the right, upon written notice to Seller given within five (5) days after Seller's notice of refusal or inability to remove the exceptions, to terminate this Agreement. If Buyer elects to terminate this Agreement, the Deposits less the Independent Consideration, and any accrued interest thereon, shall be returned to Buyer, each party shall pay one-half (1/2) of the escrow termination fee, if any, and Seller and Buyer shall thereupon each be released from any obligations under this Agreement, except those which expressly survive termination.

#### 4.4 Title Insurance

Upon the Close of Escrow, Seller shall cause the Title Company to issue to Buyer either an ALTA or CLTA title insurance policy in an amount of the Purchase Price (or other such amount as may be reasonably acceptable to Buyer) insuring that fee simple title to the Property is vested in Buyer, subject only to the Permitted Encumbrances. Buyer shall be responsible for the cost of such policy.

### 5. CONDITION OF PROPERTY

#### 5.1 AS IS CONDITION

BUYER HAS BEEN STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY AND ALL MATTERS AFFECTING THE VALUE OR DESIRABILITY OF THE PROPERTY, INCLUDING THE PRESENCE OF ANY DISTRIBUTION OR TRANSMISSION LINES AND/OR DISTRIBUTION OR TRANSMISSION LINE FACILITIES ON THE PROPERTY AND ELECTRIC AND MAGNETIC FIELDS (AS DEFINED IN SECTION 5.5) ASSOCIATED THEREWITH AND POTENTIAL ENVIRONMENTAL HAZARDS ARISING FROM THE PRESENCE IN, ON, UNDER, AROUND OR ABOUT THE PROPERTY OF HAZARDOUS SUBSTANCES. EXCEPT AS EXPRESSLY HEREINAFTER PROVIDED HEREIN, NEITHER SELLER, NOR ITS OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS MAKES OR HAS MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WRITTEN OR ORAL, AS TO THE PHYSICAL CONDITION OF THE PROPERTY, THE USES OF THE PROPERTY OR ANY LIMITATIONS THEREON, INCLUDING ANY REPRESENTATION OR WARRANTY PERTAINING TO ZONING, ENVIRONMENTAL OR OTHER LAWS, REGULATIONS OR GOVERNMENTAL REQUIREMENTS; THE UTILITIES ON THE PROPERTY, THE COSTS OF OPERATING THE PROPERTY OR ANY OTHER ASPECT OF THE ECONOMIC OPERATIONS OF THE PROPERTY; THE CONDITION OF THE SOILS OR GROUNDWATER OF THE PROPERTY; THE PRESENCE OR ABSENCE OF ELECTRIC AND MAGNETIC FIELDS (AS DEFINED IN SECTION 5.5) TOXIC MATERIALS OR HAZARDOUS SUBSTANCES IN, ON, UNDER, AROUND OR ABOUT THE PROPERTY; OR ANY OTHER MATTER BEARING ON THE USE, VALUE OR CONDITION OF THE PROPERTY. SELLER MAKES AND HAS MADE NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE CONDITION OF TITLE TO THE PROPERTY, AND BUYER AGREES THAT IT WILL RELY SOLELY ON ITS POLICY OF TITLE INSURANCE ISSUED PURSUANT TO SECTION 4.4.

5.2 Right of Inspection

(a) For a period of ninety (90) days following the Effective Date of this Agreement ("Inspection Period"), subject to the terms and conditions of this Section 5.2, Buyer and Buyer's authorized representatives, may enter onto the Property at any reasonable time and from time to time to survey and inspect the Property. Notwithstanding any terms of this Agreement to the contrary, if prior to the expiration of the Inspection Period, Buyer notifies Seller in writing that it approves the physical condition of the Property, the Inspection Period shall terminate on such notification date. As noted in Section 2.1, if Buyer delivers written notice to Seller and Title Company approving the physical condition of the Property, Escrow shall release the First Deposit to Seller. No testing, including soil or groundwater sampling, may be conducted on the Property unless and until the testing plans and procedures are approved in writing by Seller, which approval may be withheld, or granted upon such conditions as Seller may determine, in Seller's reasonable discretion. If Seller approves of such testing, Buyer shall prepare, at Buyer's sole cost and expense, a work plan that describes in detail the nature, scope, location and purpose of all of Buyer's activities to be performed on the Property, including methods and procedures for restoration of any alteration to Property, and a health and safety plan. In addition, at Buyer's sole cost and expense, Buyer shall comply with all laws, statutes, ordinances, rules, regulations, requirements or orders of municipal, state, and federal authorities now in force or that may later be in force. In the event that Buyer conducts any such testing, Buyer shall return the Property as nearly as possible to the same condition the Property was in before any entry or testing activities.

(b) Buyer shall notify Patty Filice or Ivan Margaretich, Seller's representative for the Property, ("Seller's Representative"), by telephone at (408) 710-2259 (Patty), or (408) 483-4409 (Ivan), not less than seventy-two (72) hours before Buyer or Buyer's representatives enter the Property in each instance. No such entry shall interfere with Seller's use of the Property or the use of the Property by any tenants, easement holders, licensees, permittees or other third parties occupying the Property. Seller shall have the right to have a representative accompany Buyer on each such entry.

(c) At Buyer's sole expense, Buyer shall provide Seller, as soon as they are available, with copies of the results of all completed analytical tests, photos, geological logs, studies and drafts of any and all completed reports generated as the result of Buyer's environmental investigations ("Diligence Materials"). Seller shall have ten (10) business days to comment thereon. Thereafter, Buyer shall incorporate any and all of Seller's reasonable comments into such reports before such reports are prepared in final form. Buyer shall provide Seller with copies of any and all final reports resulting from Buyer's activities on the Property as soon as they are available. Buyer shall keep such reports confidential as more specifically set forth in Section 5.7. Notwithstanding anything contrary in this Agreement, Buyer shall not be obligated to deliver copies of any proformas, valuation materials, financial analysis, attorney communications, copyrighted materials, internal communications, or internal reports or analysis regarding the Property or Buyer's intended development. Seller agrees, represents and warrants that Seller's use of any such Diligence Materials shall be at Seller's sole risk and shall be subject to the rights and privileges of the parties that prepared such Diligence Materials. Buyer makes no warranties or representations regarding the truth, adequacy, and/or accuracy of the Diligence Materials, Buyer expressly disclaims any liability for any and all defects or deficiencies contained in the Diligence Materials, and Seller shall accept the Diligence Materials in their "AS IS" condition. This Section 5.2(c) shall survive the termination of this Agreement.

5.3 Indemnification; Release; Insurance

Buyer shall indemnify, defend (with counsel approved by Seller), protect and hold Seller, its officers, directors, employees, agents and contractors (collectively, "Indemnitees") harmless from and against any and all losses (including diminution in the value of the Property and other consequential damages), costs, claims, demands, actions, suits, orders, causes of action (including reasonable attorneys' fees and costs), obligations, controversies, debts, expenses, accounts, damages, judgments, and liabilities of whatever kind or nature, and by whomsoever asserted, in law, equity, or otherwise (collectively, "Claims") arising out of or in any way connected with the Property and occurring as a result of any entry upon the Property, or activities conducted thereon by Buyer, its agents, contractors or employees, including Claims arising from

the passive or active negligence of the Indemnitees, except that Buyer shall have no liability for and no obligation to indemnify or remedy any conditions or defects on or under the Property (i) not caused by Buyer, including those conditions and defects discovered during Buyer's investigations and inspections, or (ii) resulting from the acts or omissions of Seller, or Seller's agents, engineers, contractors, consultants and representatives, or other prospective purchasers of the Property (or any portion thereof). Buyer's entry upon the Property and activities conducted thereon by or on behalf of Buyer shall be at Buyer's sole risk and expense. **Seller shall not be liable to Buyer for, and Buyer hereby waives and releases Seller and the other Indemnitees from, any and all Claims arising out of or in any way connected with the Property and occurring as a result of any entry upon the Property, or activities conducted thereon by Buyer, its agents, contractors or employees, including Claims arising from the passive or active negligence of any of the Indemnitees.** Buyer shall, and shall cause Buyer's consultants, contractors and subcontractors to, procure, carry and maintain in effect before and throughout the period of time that Buyer shall be entering the Property, not less than \$2,000,000.00 in comprehensive general liability insurance coverage, insuring all activities and conduct of such parties on the Property, issued by an insurance company licensed in the State of California and otherwise reasonably acceptable to Seller. Seller shall be named an additional insured under such policy(ies), which may be done by endorsement. Buyer shall deliver to Seller certificates of insurance evidencing the coverages required hereunder, as well as original endorsements evidencing additional insured status, prior to any entry upon the Property by Buyer or Buyer's consultants, contractors and subcontractors. The provisions of this Section 5.3 shall survive the expiration or earlier termination of this Agreement or the Close of Escrow.

#### 5.4 Right to Terminate

Buyer can terminate this Agreement for any or no reason on or before 5:00 p.m. Pacific Time on the last day of the Inspection Period by sending a written termination notice to Seller. Buyer's failure to send a written notice approving the physical condition of the Property on or before expiration of the Inspection Period shall be deemed to constitute Buyer's termination of this Agreement. If Buyer timely delivers written notice approving the physical condition of the Property, except as otherwise set for herein or to the extent of Seller's obligations under this Agreement, Buyer shall be deemed to have approved all matters relating to the Property, including the physical condition of the Property, the possible uses of the Property and any limitations thereon. If Buyer elects to proceed with the transaction as provided above, (a) Buyer shall have no further right to terminate this Agreement, except in accordance with the provisions of Sections 7.6, 8, 9.2(b) or 9.3 below; and (b) in addition to all other claims waived by Buyer hereunder, Buyer shall be deemed to have waived any and all rights or claims against Seller with respect to matters discovered before the expiration of the Inspection Period. If this Agreement is terminated as provided above, Buyer shall be entitled to return of the Deposits (less the Independent Consideration), and this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate as of the date of such notice, except for the obligations that expressly survive the termination of this Agreement.

#### 5.5 Hazardous Substances Disclosure; Electric and Magnetic Fields Disclosure; Buyer's Release and Indemnity

Seller has conducted an initial investigation of the property for hazardous substances and obtained the reports described on Exhibit D attached hereto, if any, ("Environmental Reports"). Seller agrees to provide Buyer with copies of the Environmental Reports and Buyer may utilize the Environmental Reports in its due diligence review; provided, however, Buyer acknowledges and agrees that (a) Seller makes absolutely no representations or warranties as to the accuracy or completeness of any information contained in the Environmental Reports or the methods upon which said information was obtained by the issuers of the Environmental Reports, (b) Buyer will not rely in any manner upon the information contained in the Environmental Reports and (c) neither Seller nor the issuer of any of the Environmental Reports shall have any liability whatsoever to Buyer for any false, inaccurate or misleading matters or information, if any, contained in the Environmental Reports. Buyer has been strongly advised to investigate the existence of hazardous substances and Electric and Magnetic Fields on, under, about or otherwise affecting the Property. Buyer further acknowledges that Seller shall not in any manner be responsible to Buyer for the presence of any Electric and Magnetic Fields or hazardous substances on, under, about or otherwise

affecting the Property, and further, as a material inducement to Seller for the sale of the Property to Buyer, Buyer agrees to execute the Release in Section 5.8.

#### 5.6 Natural Hazard Disclosures

Seller is, or may be, required under California law to disclose if the Property lies within the following natural hazard areas or zones: (a) a special flood hazard area designated by the Federal Emergency Management Agency (Government Code Section 8589.3); (b) an area of potential flooding shown on a dam failure inundation map (Government Code Section 8589.4); (c) a very high fire hazard severity zone ("Fire Hazard Severity Zone") (Government Code Section 51183.5); (d) a wildland area that may contain substantial forest fire risks and hazards ("Wildland Fire Zone") (Public Resources Code Section 4136); (e) an earthquake fault zone (Public Resources Code Section 2621.9); or (f) a seismic hazard zone (Public Resources Code Section 2694). Buyer acknowledges and understands that: (i) if the Property is located in a Fire Hazard Severity Zone, the owner is subject to the maintenance requirements of Government Code Section 51182; and (ii) if the Property is located in a Wildland Fire Zone, it is subject to the maintenance requirements of Public Resources Code Section 4291, and it is not the State of California's responsibility to provide fire protection services to any building or structure located within a Wildland Fire Zone unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to Public Resources Code Section 4142. In addition, if the Property is situated in one or more of the hazard zones described above, Buyer's ability to develop the Property, obtain insurance, or receive assistance after a disaster may be limited. Buyer further acknowledges that the maps on which the natural hazard disclosures are based only estimate where natural hazards exist, and are not definitive indicators of whether or not a property will be affected by a natural disaster. Seller has employed the services of HomeServices NHD (which, in such capacity is herein called "Natural Hazards Expert") to examine the maps and other information specifically made available to the public by government agencies for the purpose of enabling Seller to fulfill the foregoing disclosure obligations. A copy of the Natural Hazards Disclosure Report ("Natural Hazards Report") prepared by the Natural Hazards Expert is attached to this Agreement as Exhibit E. Buyer acknowledges that the Natural Hazards Report deals with matters within the scope of the Natural Hazards Expert's professional license or expertise, and Seller shall be liable for any error, inaccuracy or omission of any information relating to natural hazards disclosures not within its personal knowledge. Except as expressly provided herein, Seller is making and has made no representations regarding the seismic, geologic or other natural hazards affecting the Property, or the effect thereof on the future use or development of the Property, and Buyer should make its own inquiry and investigation of such hazards. Further, Buyer hereby waives, to the fullest extent permitted by law, any other disclosure requirements relating to natural hazards imposed on Seller by California law.

#### 5.7 Confidentiality

Until the Close of Escrow, unless disclosure is otherwise required under this Agreement or Buyer reasonably believes disclosure is required under applicable law, Buyer shall keep and shall cause Buyer's agents, consultants and employees to keep confidential all tests, inspections and reports, documents, analyses, and opinions obtained or generated by Buyer with respect to the Property, including any information provided by Seller or received or prepared by Buyer in Buyer's independent factual, physical and legal examinations and inquiries respecting the Property (collectively, "Confidential Information"), except that Buyer may disclose the same to its legal counsel and consultants. Until the Close of Escrow, neither the contents nor the results of any Confidential Information shall be disclosed by Buyer, its agents, consultants and employees without Seller's prior written approval, which Seller may grant or withhold at Seller's sole and absolute discretion, unless and until Buyer reasonably determines that it is legally obligated to make such disclosure, as advised by Buyer's legal counsel.

#### 5.8 Buyer's Release of Seller

Buyer hereby waives, releases and forever discharges Seller and the other Indemnitees from any and all Claims that Buyer may have at the Close of Escrow or that may arise in the future on account of or in any way arising out of or connected with the Property, including, but not limited to, the physical condition, nature or quality of the Property or the ownership, management or operation of the Property, except as set forth

in Section 6.1 below. Buyer hereby waives the protection of California Civil Code Section 1542, which reads as follows:

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

Buyer's Initials: LF 71

NOTWITHSTANDING ANYTHING IN THIS SECTION 5 TO THE CONTRARY, BUYER AND SELLER ACKNOWLEDGE AND AGREE THAT THE PROVISIONS OF THIS SECTION 5.8 SET FORTH ABOVE SHALL NOT APPLY TO, AND BUYER SHALL RETAIN ALL OF ITS RIGHTS AND REMEDIES WITH RESPECT TO THE FOLLOWING MATTERS (SUCH MATTERS ARE COLLECTIVELY REFERRED TO HEREIN AS THE "EXCLUDED MATTERS"): (I) A BREACH BY SELLER OF ANY OF SELLER'S REPRESENTATIONS OR WARRANTIES IN THIS AGREEMENT; (II) SELLER'S COVENANTS SET FORTH IN THIS AGREEMENT; (III) SELLER'S FRAUD; (IV) ANY CLAIMS MADE BY TENANTS, OCCUPANTS, LICENSEES OR PERMITTEES OF THE PROPERTY FOR ACTS OR OMISSIONS THAT OCCURRED PRIOR TO THE CLOSING; AND (V) THIRD PARTY PREMISES LIABILITY OR TORT CLAIMS WHICH ARISE BEFORE CLOSING AND WERE NOT CAUSED BY BUYER.

#### 5.9 Survival

The covenants, agreements and obligations of Buyer contained in this Section 5 shall survive the expiration or earlier termination of this Agreement or the Close of Escrow.

### 6. REPRESENTATIONS AND WARRANTIES

#### 6.1 Seller's Representations

Seller hereby represents and warrants to Buyer to Seller's actual knowledge, as defined below in this Section 6.1, as follows:

(a) Seller has full right, power and authority to enter into this Agreement and to sell, convey and transfer the Property and all rights appurtenant thereto to Buyer; provided, however, that the foregoing representation and warranty is subject to Seller's receipt of any required Regulatory and Court Approval (as more particularly described in Sections 7.3 and 7.4 below). All corporate action on the part of Seller necessary for the valid authorization, execution, and delivery of this Agreement, and the consummation of the transactions contemplated hereby has been taken, or at or before the Close of Escrow will have been taken, and this Agreement and all documents delivered by Seller to Buyer are (and will be) legal, enforceable, valid and binding obligations of Seller, sufficient to convey title.

(b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not conflict with or constitute a default under any of the terms, conditions or provisions of any other agreement to which Seller is a party or by which Seller is bound, and will not violate any provision of, or require any consent, authorization or approval under, any applicable law,

regulation, or order; provided, however, that the foregoing representation and warranty is subject to Seller's receipt of any required Regulatory and Court Approval (as more particularly described in Sections 7.3 and 7.4 below).

(c) Except as set forth in the Disclosure Exhibit attached hereto as Exhibit F, Seller has received no written notice from any governmental agency or private person during the six (6) month period preceding the Effective Date that the condition, use or operation of the Property violates any law or any order or requirement of any governmental agency that could materially and adversely affect the operation or value of the Property (other than violations which have been cured).

(d) Except as set forth in the Disclosure Exhibit attached hereto as Exhibit F, during the twelve (12) month period preceding the Effective Date, Seller has received no written notice of any pending or threatened lawsuits of any kind against Seller that could materially and adversely affect the operation or value of the Property or prohibit the sale thereof.

(e) Except as set forth in the Disclosure Exhibit attached hereto as Exhibit F, during the twelve (12) month period preceding the Effective Date, Seller has received no written notice of any pending, threatened or contemplated condemnation proceedings affecting the Property or any part thereof.

(f) Seller has good and marketable fee simple title to the Property, free and clear of all liens and encumbrances, except as shown in the Title Report, and at the close of Escrow, Seller shall be ready, willing, and able to convey to Buyer fee simple title to the Property, subject only to the Permitted Encumbrances. In making this representation, Seller is relying in good faith on the Title Report that the listed encumbrances are accurate and complete.

(g) The Documents are all of the current, material documents, reports and information and materials related to the condition of title and of the physical condition of the Property that are in Seller's possession or control. Buyer acknowledges and accepts that the Property has been in use for several decades. While Seller is providing the Documents in good faith that they are all the current, material records for the Property, Seller cannot guarantee the complete universe of records has been searched and provided. All Documents delivered to Buyer by Seller and its agents are complete originals or true and correct copies thereof, although Seller makes no representation regarding the truth, adequacy and/or accuracy of the content thereof.

(h) As of the closing, there will be no outstanding contracts made by Seller for any improvements to the Property which have not been fully paid for, and Seller shall cause to be discharged all mechanics' and materialmen's liens arising from any labor and material furnished prior to closing. This subsection does not apply to any liens arising from work contracted for by Buyer or its employees or consultants.

(i) Seller is not a foreign person, foreign corporation, foreign partnership, foreign trust or foreign estate, as those terms are defined in the Internal Revenue Code Section 1145 and any related regulations and Seller is exempt from the withholding obligations imposed by California Revenue and Taxation Code Sections 18805, 18815, and 26131.

Seller's "actual knowledge" as used in this Section 6.1 or elsewhere in this Agreement shall mean the actual knowledge of, or receipt of written notice by, Seller's Representative, as of the Effective Date, without any duty of inquiry. Buyer acknowledges and agrees that Seller may have records or files not in the possession of Seller's Representative, which may include information concerning the Property. Buyer understands that Seller will not undertake to determine whether any of such other files and/or records contain information concerning the Property, and Seller will not make such other files and records available to Buyer for its review. In light of the voluminous files and records of Seller, and the uncertainty of the location or content of such files, Buyer acknowledges and agrees that Buyer will, except for the limited representations and warranties contained in this Section 6.1, rely solely on its own investigations in making its decision to acquire the Property.

## 6.2 Buyer's Representations

In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following representations and warranties, each of which is material, is being relied upon by Seller (the continued truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder) and shall fully survive the Close of Escrow for the period set forth in Section 11.2 below:

(a) If Buyer is an entity, Buyer is duly organized, validly existing and in good standing under the laws of the state of its organization and is qualified to do business in the state in which the Property is located and the persons executing this Agreement on behalf of Buyer have the full right and authority to execute this Agreement on behalf of Buyer and to bind Buyer without the consent or approval of any other person or entity. This Agreement and all documents executed by Buyer which are to be delivered to Seller upon the Close of Escrow are, or at the time of the Close of Escrow will be, (i) duly authorized, properly executed and delivered by Buyer, (ii) legal, valid and binding obligations of Buyer enforceable in accordance with their terms at the time of the Close of Escrow, and (iii) not in violation of any agreement or judicial order to which Buyer is a party or to which it is subject.

(b) Buyer is an experienced real property operator and investor, and is represented or has had an opportunity to be represented by counsel in connection with this transaction. Except for the express representations and warranties of Seller contained in Section 6.1 above, Buyer specifically acknowledges that it is acquiring the Property "AS IS, WHERE IS, WITH ALL FAULTS", without any representations or warranties of Seller, express or implied, written or oral, as to the nature or condition of title to the Property, the physical condition of the Property, the uses of the Property or any limitations thereon. Buyer is relying solely upon, and, as of the expiration of the Inspection Period will have conducted, its own analysis of the Property as it deems necessary or appropriate in acquiring the Property from Seller (including an analysis of any and all matters concerning the physical or environmental condition, condition of title, use, development or suitability for development of the Property). Buyer is not relying in any way upon any representations, statements, agreements, warranties, studies, plans, reports, descriptions, guidelines or other information or material furnished by Seller or its representatives, whether oral or written, express or implied, of any nature whatsoever regarding any of the foregoing matters.

(c) Buyer is not, and at no time during the term of this Agreement will be: (i) in violation of any Anti-Terrorism Law (defined below); (ii) conducting any business or engaging in any transaction or dealing with any Prohibited Person (defined below), including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Prohibited Person; (iii) dealing in, or otherwise engaging in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224 (defined below); or (iv) engaging in or conspiring to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate any of the prohibitions set forth in, any Anti-Terrorism Law. Neither Buyer nor any of its Affiliates, officers, directors, shareholders, partners or members is, or at any time during the term of this Agreement will be, a Prohibited Person. As used herein, "Anti-Terrorism Law" means any law or regulation relating to terrorism, anti-terrorism, money-laundering or anti-money laundering activities, including the United States Bank Secrecy Act, the United States Money Laundering Control Act of 1986, Executive Order No. 13224, and Title 3 of the USA Patriot Act (defined below), and any regulations promulgated under any of them, each as may be amended from time to time. As used herein, "Executive Order No. 13224" means Executive Order No. 13224 on Terrorist Financing effective September 24, 2001, and relating to "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism," as may be amended from time to time. As used herein, "Prohibited Person" means (1) a person or entity that is listed in, or owned or controlled by a person or entity that is listed in, the Annex to Executive Order No. 13224; (2) a person or entity with whom Seller is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; or (3) a person or entity that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/t11sdn.pdf>, or at any replacement

website or other official publication of such list. As used herein, "USA Patriot Act" means the "Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001" (Public Law 107-56). As used herein, "Affiliate" means, with respect to any party, a person or entity that controls, is under common control with, or is controlled by such party.

(d) The representations and warranties of Buyer set forth in this Agreement shall be true on and as of the Close of Escrow as if those representations and warranties were made on and as of such time and shall survive closing for the period set forth in Section 11.2.

## 7. CONDITIONS PRECEDENT

### 7.1 Conditions to Buyer's Obligations

Buyer's obligation to purchase the Property is subject to the fulfillment or waiver of each of the following conditions precedent:

(a) The Title Company shall be prepared to issue at the Close of Escrow the title insurance policy described in Section 4.4 upon payment of its regularly scheduled premium therefor; and

(b) Seller shall have performed each and every obligation and covenant contained in this Agreement to be performed by Seller at or before the Close of Escrow and subject to Section 9.3, the truth and accuracy of the representations and warranties made by Seller at the Close of Escrow.

(c) Excepting the facilities subject to the reserved utility easements described in Section 4.2, at the Close of Escrow, (i) there shall be no leases, use or occupancy agreements, or any other contractual obligations (whether oral or written) affecting the Property, except for the Permitted Encumbrances, (ii) all tenants and other occupants shall have vacated the Property; and (iii) all equipment, machinery, vehicles, trade fixtures, personal property and inventory shall have been removed from the Property. If for any reason the condition precedent in this Section 7.1(c) is not satisfied as of the close of Escrow, then notwithstanding anything in this Agreement to the contrary, Buyer may elect in writing, in Buyer's sole discretion, to extend the Close of Escrow, at no cost or expense to Buyer, until the condition precedent in this Section 7.1(c) is satisfied.

(d) The conditions set forth in Sections 7.3, 7.4 and 7.5 shall have been fully and completely satisfied.

Each of the above conditions is for the benefit of Buyer and each of said conditions is deemed to be material to and of the essence of this Agreement.

### 7.2 Conditions to Seller's Obligations

Seller's obligation under this Agreement to sell the Property to Buyer is subject to (i) Buyer's timely performance of each and every covenant contained in this Agreement to be performed by Buyer, (ii) the continued truth and accuracy of the representations and warranties made by Buyer, (iii) Court Approval (as set forth in Section 7.4); and (iv) the Regulatory Approval (as set forth in Section 7.3).

### 7.3 Regulatory Approval

Seller has determined that approval of the CPUC and FERC ("Regulatory Approval") will be required as a condition precedent to Seller's sale of the Property to Buyer, and therefore, the obligation of each party to close the sale of the Property shall be conditioned upon obtaining such Regulatory Approval at or before the Close of Escrow. Seller covenants and agrees to diligently and in good faith pursue Regulatory Approval so that Regulatory Approval is obtained prior to the Closing Date (without regard to any

extensions). Buyer acknowledges and agrees that Regulatory Approval shall not be deemed to have occurred for purposes of this Agreement unless and until the CPUC and FERC approve the sale of the Property to Buyer in a form that is final, unconditional and unappealable, including exhaustion of all administrative appeals or remedies before the CPUC and FERC, and such Regulatory Approval is approved by Seller in its sole and absolute discretion, including Seller's approval of the proposed accounting and ratemaking treatment of the sale. Buyer further acknowledges and agrees that Seller makes no representation or warranty with respect to the likelihood of, or timing of, Regulatory Approval, and Buyer hereby waives all claims against Seller for losses, expenses or damages suffered or incurred by Buyer as a result of the need for Regulatory Approval, any delay in receipt of Regulatory Approval or the failure of the CPUC and FERC to approve the sale of the Property to Buyer. Seller shall deliver written notice to Buyer when Seller has submitted the request for Regulatory Approval and, upon request from Buyer, Seller shall provide Buyer with updates regarding the anticipated timing and status of obtaining the Regulatory Approval.

#### 7.4 Bankruptcy Court Approval

Seller's obligations under this Agreement are subject to and conditioned upon the approval of this Agreement by the bankruptcy court or any other court having jurisdiction over Seller's chapter 11 cases currently pending before the United States Bankruptcy Court for the Northern District of California (Lead Case No. 19-30088 (DM)) ("Court Approval"). Seller shall seek such Court Approval within ten (10) days after the satisfaction by Buyer of the following two conditions: (i) Buyer has deposited the Third Deposit in escrow in accordance with Section 2.3 of this Agreement and (ii) Buyer has received Final Approval for a General Plan Amendment permitting residential use of the Property or has waived such requirement in accordance with Section 2.2 of this Agreement. Buyer agrees that it will promptly take such actions as are reasonably requested by Seller to assist in obtaining Court Approval. Seller agrees to diligently and in good faith seek the Court Approval. Seller shall deliver written notice to Buyer when Seller has submitted or filed the applicable documents and materials to request the Court Approval and, upon request from Buyer, Seller shall provide Buyer with updates regarding the anticipated timing and status of obtaining the Court Approval. Court Approval will not be required if Seller determines, in Seller's sole discretion, that Court Approval is no longer required.

#### 7.5 Subdivision Map Act Compliance

At the Close of Escrow, the Property must comply with the California Subdivision Map Act ("Map Act") (Government Code Section 66410, et seq.) ("Map Act Compliance"). During the period that Seller has owned the Property, certain exemptions to the Map Act may apply due to Seller's status as a public utility. Said exemptions will not apply to Buyer, unless Buyer is also a public utility. The obligation of each party to close the sale of the Property shall be conditioned upon confirming Map Act Compliance or obtaining such Map Act Compliance before the Close of Escrow, which compliance shall be determined by Seller, in Seller's sole and absolute discretion. Buyer, at Buyer's expense, shall take all actions necessary to obtain Map Act Compliance to Seller's satisfaction, including obtaining a Certificate of Compliance, or obtaining the approval of and filing of a lot line adjustment, final subdivision map or parcel map, as applicable. Buyer shall consult with Seller regarding Buyer's proposed means to achieve Map Act Compliance and shall keep Seller reasonably apprised of the status of its efforts to achieve Map Act Compliance. Buyer acknowledges and agrees that Seller makes no representation or warranty with respect to Map Act Compliance, and Buyer hereby waives all claims against Seller that may arise out of losses, expenses or damages suffered or incurred by Buyer as a result of the need for Map Act Compliance, or the failure to obtain Map Act Compliance.

#### 7.6 Termination of Agreement for Failure of Conditions

(a) Failure of Buyer's Conditions. If any one or more of the conditions to Buyer's obligations, as set forth in Section 7.1 or elsewhere in this Agreement, is not either fully performed, satisfied or waived in writing on or before the Closing Date, then Buyer may elect, by written notice to Seller, to terminate this Agreement and the Escrow, in which event Buyer shall be entitled to the return of (i) the Deposits less the Independent Consideration and (ii) any Option Payments or Deposits that have been

previously released to Seller or have become nonrefundable to Buyer in accordance with the terms of this Agreement, and this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate.

(b) Failure of Seller's Conditions. If any one or more of the conditions to Seller's obligations, as set forth in Section 7.2 or elsewhere in this Agreement, is not either fully performed, satisfied or waived in writing on or before the Closing Date, then Seller may elect, by written notice to Buyer, to terminate this Agreement and the Escrow, in which event Buyer shall be entitled to the return of (i) the Deposits less the Independent Consideration and (ii) any Option Payments or Deposits that have been previously released to Seller or have become nonrefundable to Buyer in accordance with the terms of this Agreement, and this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate. Nothing in this paragraph shall be construed to limit Seller's rights under Section 9.1 in the event of a default by Buyer.

(c) Regulatory or Court Approval. The conditions set forth in Sections 7.3 and 7.4 may not be waived by either party; provided, however, Seller may waive the conditions set forth in Section 7.4 of this Agreement in the event that Seller determines that Court Approval is not required. If Seller notifies Buyer and Title Company before the Closing Date (as it may have been extended as provided in Section 3.1) that Regulatory Approval or Court Approval has either not been obtained or has been denied by the applicable agency or Court, as reasonably determined by Seller and after Seller having made a good faith and commercially reasonable effort to obtain such Regulatory Approval or Court Approval in accordance with the terms of this Agreement, then this Agreement and the Escrow shall automatically terminate fifteen (15) business days after Buyer receives such notice unless Buyer and Seller agree in writing to further extend the Closing Date, in which event Buyer shall be entitled to the return of (i) the Deposits, less the Independent Consideration and First Deposit, (ii) any interest earned thereon while in the escrow, and (iii) any Option Payments paid, and upon such termination this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate, except for obligations that expressly survive the termination of this Agreement. In the event of termination under this subsection, at no material cost to Buyer, Buyer shall take all reasonable steps necessary to transfer any entitlements and permits to Seller. Notwithstanding the foregoing, Seller shall not be obligated to compensate or reimburse Buyer for any of Buyer's costs or expenses incurred in pursuing or obtaining the entitlements/permits in the event of such termination and transfer. Notwithstanding anything contrary in this Agreement, Buyer shall not be obligated to deliver copies of any proformas, valuation materials, financial analysis, attorney communications, copyrighted materials, internal communications, or internal reports or analysis regarding the Property or Buyer's intended development. Seller agrees, represents and warrants that Seller's use of any such Diligence Materials shall be at Seller's sole risk and shall be subject to the rights and privileges of the parties that prepared such Diligence Materials. Buyer makes no warranties or representations regarding the truth, adequacy, and/or accuracy of the Diligence Materials, Buyer expressly disclaims any liability for any and all defects or deficiencies contained in the Diligence Materials, and Seller shall accept the Diligence Materials in their "AS IS" condition. This Section 7.6(c) shall survive the termination of this Agreement.

(d) Subdivision Map Act Compliance. The condition set forth in Section 7.5 may not be waived by either party. If Seller notifies Buyer before the Closing Date that Seller has not confirmed Map Act Compliance, or determined that conveyance of the Property to Buyer as contemplated in this Agreement is not exempt from the Map Act, then Seller shall have the option, but not the obligation, in Seller's sole discretion to extend the Close of Escrow beyond the time periods set forth in Section 3.1 by an additional one hundred eighty (180) days to permit Buyer additional time within which to bring the Property into compliance. Should Seller elect not to exercise this right, or should Buyer again fail to obtain Subdivision Map Act compliance within the extended period, this Agreement and the Escrow shall automatically terminate as of the date of such notice by Seller. In the event of such termination, Seller shall keep and retain any released deposits, and the Escrow and the rights and obligations of the parties hereunder shall terminate, except for obligations that expressly survive the termination of this Agreement.

8. CONDEMNATION

In the event of any taking of more than fifteen percent (15%) of the land area of the Property in eminent domain proceedings or under threat of condemnation before the Close of Escrow, Buyer shall have the right to terminate this Agreement by giving to Seller written notice of termination within thirty (30) days following the date of such taking, in which event Buyer shall be entitled to the return of (i) the Deposits less the Independent Consideration and (ii) any Deposits that have been previously released to Seller or have become nonrefundable to Buyer in accordance with the terms of this Agreement, the after such termination the Escrow and the rights and obligations of the parties hereunder shall terminate as of the date of such notice, except for obligations that expressly survive the termination of this Agreement. In the event of a taking of fifteen percent (15%) or less of the land area of the Property before the Close of Escrow or in the event that Buyer shall not elect to terminate this Agreement as provided above, Buyer shall remain obligated to perform its obligations under this Agreement, and Seller shall assign to Buyer, at the Close of Escrow, the portion of any condemnation award attributable to Seller's interest in the Property. For the purposes of this Agreement, a taking in condemnation shall mean the taking of possession or the vesting of fee title to the Property in a governmental entity pursuant to the exercise of the power of eminent domain or pursuant to a deed given in lieu or in contemplation thereof.

9. DEFAULT

9.1 Buyer's Default

(a) IF AFTER THE INSPECTION PERIOD, THE SALE OF THE PROPERTY TO BUYER UNDER THIS AGREEMENT DOES NOT CLOSE SOLELY BECAUSE OF A DEFAULT BY BUYER, SELLER MAY UNILATERALLY TERMINATE THIS AGREEMENT AND THE ESCROW BY GIVING WRITTEN NOTICE TO BUYER AND THE TITLE COMPANY. THEREUPON, SELLER SHALL BE RELEASED FROM ALL OBLIGATIONS UNDER THIS AGREEMENT, EXCEPT THOSE OBLIGATIONS WHICH EXPRESSLY SURVIVE THE TERMINATION, AND TITLE COMPANY IS HEREBY IRREVOCABLY INSTRUCTED BY BUYER AND SELLER, AS SELLER'S SOLE REMEDY, TO DISBURSE THE DEPOSITS TO SELLER AS LIQUIDATED DAMAGES, TO THE EXTENT MADE. IN ADDITION, TITLE COMPANY SHALL RETURN ALL DOCUMENTS AND INSTRUMENTS TO THE PARTIES WHO DEPOSITED SAME, AND ALL TITLE AND ESCROW CANCELLATION CHARGES SHALL BE CHARGED TO BUYER. SELLER'S RETENTION OF THE DEPOSIT IS NOT INTENDED AS A FORFEITURE OR A PENALTY, BUT IS INTENDED TO COMPENSATE SELLER FOR DAMAGES IT WILL SUSTAIN BY REASON OF SUCH DEFAULT BY BUYER, INCLUDING DAMAGES RESULTING FROM THE REMOVAL OF THE PROPERTY FROM THE MARKET, THE LOSS OF BUSINESS AND DEVELOPMENT OPPORTUNITIES AND THE LOSS OF PROSPECTIVE INVESTMENT IN OTHER PROPERTY. THE PARTIES AGREE AND ACKNOWLEDGE THAT THE AMOUNT OF SELLER'S ACTUAL DAMAGES AS A RESULT OF BUYER'S DEFAULT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO ASCERTAIN, AND THE AMOUNT PROVIDED FOR HEREIN IS A REASONABLE ESTIMATE OF SUCH DAMAGES. BY THEIR SIGNATURES BELOW, SELLER AND BUYER SPECIFICALLY ACKNOWLEDGE THEIR ACCEPTANCE AND APPROVAL OF THE FOREGOING LIQUIDATED DAMAGES PROVISION.

(b) NOTHING CONTAINED IN THIS SECTION 9.1 SHALL SERVE TO WAIVE OR OTHERWISE LIMIT (1) SELLER'S REMEDIES OR DAMAGES FOR CLAIMS WITH RESPECT TO ANY OBLIGATIONS OF BUYER THAT, BY THE TERMS OF THIS AGREEMENT, SURVIVE CLOSE OF ESCROW OR THE TERMINATION OF THIS AGREEMENT BY SELLER BEFORE THE CLOSE OF ESCROW, INCLUDING BUYER'S CONFIDENTIALITY OBLIGATIONS UNDER SECTIONS 5.7 AND 11.11 AND INDEMNIFICATION OBLIGATIONS UNDER SECTION 5.3 AND SECTION 10.2, OR (2) SELLER'S RIGHTS TO OBTAIN FROM BUYER ALL COSTS AND EXPENSES OF ENFORCING THE LIQUIDATED DAMAGE PROVISION CONTAINED IN SECTION 9.1(a) ABOVE, INCLUDING ATTORNEYS' FEES AND COSTS PURSUANT TO SECTION 11.10 BELOW.

(c) THE PARTIES AGREE THAT SELLER WOULD SUFFER MATERIAL INJURY OR DAMAGE NOT COMPENSABLE BY THE PAYMENT OF MONEY IF BUYER WERE TO BREACH OR VIOLATE ITS CONFIDENTIALITY OBLIGATIONS UNDER SECTIONS 5.7 AND 11.11 OF

THIS AGREEMENT. ACCORDINGLY, NOTWITHSTANDING THE PROVISIONS OF SECTION 9.1(a) ABOVE, IN ADDITION TO ALL OTHER REMEDIES THAT SELLER MAY HAVE, SELLER MAY BRING AN ACTION IN EQUITY OR OTHERWISE FOR SPECIFIC PERFORMANCE TO ENFORCE COMPLIANCE WITH SUCH SECTIONS, OR AN INJUNCTION TO ENJOIN THE CONTINUANCE OF ANY SUCH BREACH OR VIOLATION THEREOF. BUYER AGREES TO WAIVE ANY REQUIREMENT FOR A BOND IN CONNECTION WITH ANY SUCH INJUNCTIVE OR OTHER EQUITABLE RELIEF. NOTWITHSTANDING THE FOREGOING, SELLER SHALL NOT BE ENTITLED TO INDIRECT OR PUNITIVE DAMAGES.

ACKNOWLEDGMENT AS TO ACCEPTANCE OF THE IMMEDIATELY PRECEDING LIQUIDATED DAMAGES PROVISION:

**Buyer:** SUMMERHILL HOMES LLC

By: \_\_\_\_\_

Print Name: Lance French

By: \_\_\_\_\_

Print Name: Joshua Taylor  
Assistant Secretary

**Seller:** PACIFIC GAS AND ELECTRIC COMPANY

By: E-SIGNED by Janet Loduca  
on 2019-09-27 22:05:25 GMT

Print Name: Janet Loduca

Senior Vice President and General Counsel

## 9.2 Seller's Default

If the sale of the Property under this Agreement does not close because of a default by Seller, Buyer shall have, at its option and as its sole remedies, the following:

(a) The right to pursue specific performance of this Agreement, in which case the costs incurred by Buyer in obtaining specific performance shall be applied against the Purchase Price; provided that upon such filing of any action for specific performance, Buyer hereby waives in writing any right it may have to bring any further action for, or assert, any damages against Seller for such default of Seller. Excepting the reimbursement obligation outlined in Sections 3.1 and 7.6 and the credit to the Purchase Price for any cost incurred to obtain specific performance, which also triggers the obligation on Buyer to transfer any entitlements obtained to Seller, in no event shall Buyer be entitled to any damages as a result of a default by Seller under this Agreement.

(b) As an alternative to the remedy provided in Section 9.2(a), the right to terminate this Agreement, in which event Buyer shall be entitled to the return of (i) the Deposits less the Independent Consideration and (ii) any Deposits and any Option Payments that have been previously released to Seller or have become nonrefundable to Buyer in accordance with the terms of this Agreement, and after such termination this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate as of the date of such notice, except for obligations that expressly survive the termination of this Agreement.

NOTHING CONTAINED IN THIS SECTION 9.2 SHALL SERVE TO WAIVE OR OTHERWISE LIMIT BUYER'S RIGHTS TO OBTAIN FROM SELLER ATTORNEYS' FEES AND COSTS PURSUANT TO SECTION 11.10 BELOW.

9.3 Failure of Conditions

If, before the Close of Escrow, Seller discloses to Buyer or Buyer otherwise discovers that (a) title to the Property is subject to defects, limitations or encumbrances other than as shown on the Title Report, or (b) Seller failed to make any material disclosures to Buyer regarding the Property, or (c) any representation or warranty of Seller contained in this Agreement is, or as of the Closing Date will be, untrue, (collectively, "Disclosure Defects") then Seller shall bear no liability for such Disclosure Defects, and Buyer shall, within three (3) days following Buyer's awareness of the existence of a Disclosure Defect, give Seller written notice of its objection thereto, which objection shall be in writing and shall specifically delineate the reasons therefor. If Buyer fails to furnish Seller with such an objection notice within said three (3) day period, Buyer shall be deemed to have irrevocably waived any right to object to the Disclosure Defect, and this Agreement shall continue in full force and effect. However, if Buyer furnishes Seller with such an objection notice within said three (3) day period, Seller may elect by notice to Buyer either (i) to attempt to cure or otherwise remedy Buyer's objection (in which event, Seller may postpone the Close of Escrow for up to thirty (30) days to effect said cure) or (ii) not to cure or otherwise remedy Buyer's objection. Buyer acknowledges and agrees that Seller shall have no obligation to cure any objection. If Seller is unable or unwilling to cure Buyer's objection within ten (10) days after notice thereof from Seller ("Seller's Cure Period"), then Buyer, as Buyer's sole remedy, shall elect to either (a) waive the Disclosure Defect and complete the purchase of the Property in accordance with the terms of this Agreement or (b) terminate this Agreement by giving written notice to Seller within ten (10) days after Seller's Cure Period, and, provided that Buyer shall not be in default hereunder, Buyer shall be entitled to the return of (i) the Deposits less the Independent Consideration and (ii) any Deposits that have been previously released to Seller or have become nonrefundable to Buyer in accordance with the terms of this Agreement, and this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate as of the date of such notice, except for obligations that expressly survive the termination of this Agreement. If Buyer fails to give Seller Buyer's written notice to terminate within ten (10) days after Seller's Cure Period, then Buyer shall be deemed to have elected to waive such Disclosure Defect and Buyer's right to terminate this Agreement pursuant to this Section 9.3. Notwithstanding anything to the contrary in this Agreement, Buyer's consent to the Close of Escrow in this transaction shall conclusively demonstrate Buyer's waiver of any Disclosure Defects known to Buyer before the Close of Escrow, and Buyer shall not be entitled to make any claim or bring any action for damages against Seller arising out of any Disclosure Defects.

9.4 Notice Period

If a party hereto believes the other party is in breach or default under this Agreement, the non-breaching party shall deliver written notice of the alleged breach or default to the other party, and the other party shall have ten (10) days after receipt of such written notice in which to cure the breach or default, and if the breach or default is actually cured within such ten (10) day period, the breaching party shall not be in breach or default under this Agreement by reason of the matter(s) alleged in the non-breaching party's notice that have been so cured.

10. BROKERS

10.1 Seller

Seller hereby represents and warrants to Buyer that Seller has incurred no obligation to any finder or real estate broker or salesperson with respect to this transaction other than to Patty Filice and Ivan Margaretich of Interio Real Estate ("Seller's Broker"), and in the event that any contrary claim is made, Seller shall indemnify, defend and hold Buyer harmless from and against any and all losses, costs, claims, damages, liabilities or causes of action (including attorneys' fees and costs) with respect to any such additional finder, broker or salesperson. Seller shall pay any commissions owed to Seller's Broker pursuant to a separate agreement. Buyer acknowledges and agrees that Seller's Broker represents the interests of Seller and not Buyer in the transaction contemplated hereunder. In the event that this transaction does not close for any reason, including a default by Seller or Buyer, no finder's fee or real estate brokerage commission shall be payable to Seller's Broker. The representations, warranties and covenants of Seller contained in this Section 10.1 shall the expiration or earlier termination of this Agreement or the Close of Escrow.

## 10.2 Buyer

Buyer hereby represents and warrants to Seller that Buyer has not incurred any obligation to any finder or real estate broker or salesperson with respect to this transaction other than to Timothy Pupach, Esq. of Timothy Pupach Properties ("Buyer's Broker"), and in the event that any contrary claim is made, Buyer shall indemnify, defend and hold Seller harmless from and against any and all losses, costs, claims, damages, liabilities or causes of action (including attorneys' fees and costs) with respect to any such finder, broker or salesperson. Seller shall pay Timothy Pupach three percent (3%) of the Purchase Price at the Close of Escrow (i.e., upon recordation of a grant deed for the Property in Santa Clara County), and only if the Closing with Buyer actually occurs. The representations, warranties and covenants of Buyer contained in this Section 10.2 shall survive the expiration or earlier termination of this Agreement or the Close of Escrow. Some officers of Buyer may be licensed real estate brokers.

## 11. MISCELLANEOUS

### 11.1 Operation of the Property Prior to the Close of Escrow

During the period from the date of Seller's execution of this Agreement to the Close of Escrow, Seller shall maintain the Property in the condition in which it exists as of the Effective Date, normal wear and tear excepted, and otherwise act with respect to the Property in accordance with its pre-existing practices, as if the Property were not to be sold to Buyer. In addition, Seller agrees during such interim period not to enter into any lease, management agreement or maintenance or service contract, or to alter or amend any of the material terms of any such existing agreements that will be binding on Buyer, without the prior written consent of Buyer, which consent shall not be unreasonably withheld or delayed.

### 11.2 Survival

The representations and warranties of Seller and Buyer contained in this Agreement shall survive the Close of Escrow and continue for a period of six (6) months thereafter and shall thereupon expire and be of no further force and effect; provided, however, that Buyer's representation and warranty set forth in Section 6.2(b) shall survive the Close of Escrow indefinitely. Any claim for breach of any such representations and warranties must be made in writing within such six (6) month period or shall be waived; provided that if any such claim that is initiated within such six (6) month period, may be pursued to completion by the claiming party. Notwithstanding the foregoing two sentences, discovery by Buyer of any Disclosure Defects before the Close of Escrow shall be exclusively governed by Section 9.3 above. The waivers of claims or rights, the releases and the obligations of Buyer under this Agreement to indemnify, protect, defend and hold harmless Seller and other Indemnitees shall survive the expiration or earlier termination of this Agreement or the Close of Escrow, and so shall all other obligations or agreements of Seller and Buyer which by their nature or by their terms survive.

### 11.3 Time of Essence

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

### 11.4 Submission of Agreement

Submission of this document for examination or signature by Buyer does not constitute an option or offer to sell the Property to Buyer. This document is not effective as a purchase and sale agreement or otherwise until executed and delivered by both Seller and Buyer.

### 11.5 Binding Effect; Assignment

This Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the parties hereto. Notwithstanding the foregoing, Buyer shall have no right to assign its rights and obligations under this Agreement unless (a) Buyer shall obtain the prior written consent of Seller to such

assignment, which consent shall not be unreasonably withheld, (b) Buyer shall not then be in default of any of its obligations under this Agreement, (c) Seller shall have approved the form of assignment, (d) the assignee shall have expressly assumed all of the obligations of Buyer under this Agreement, (e) Buyer shall furnish Seller with evidence acceptable to Seller that the proposed assignee possesses the financial ability to perform Buyer's obligations contemplated by this Agreement, and (f) Buyer shall continue to be primarily liable under this Agreement; provided, however, that Buyer may freely assign its rights and obligations under this Agreement, without Seller's prior consent, to any parent company, subsidiary or affiliate of Buyer, or to any partnership or other entity to be formed by Buyer for the purpose of acquiring the Property or any entity that is affiliated with, owned by, controlled by, or that owns or controls SummerHill Homes LLC, SummerHill Apartment Communities or SummerHill Land Acquisition Company (a "SummerHill Affiliate"), provided that Buyer shall not be released of its obligations under this Agreement. Seller acknowledges that Buyer may make multiple assignments of this Agreement to a SummerHill Affiliate (first, to a land holding entity, and then a subsequent assignment from such land holding entity to another SummerHill Affiliate that is formed for the purpose of closing title to the Property). Any such transferee shall have all the benefits, including rights to specific performance, damages, and enforcement of Seller's representations and warranties that Buyer has under this Agreement. Buyer acknowledges and agrees that Seller shall have the right to assign or otherwise convey its rights and/or obligations under this Agreement and/or with respect to the Property without the consent of Buyer, provided that Seller provides written notice of such assignment or conveyance, and the assignee assumes the remaining obligations of Seller under this Agreement. Said assignee shall be substituted as Seller hereunder and shall be entitled to the benefit of and may enforce Buyer's covenants, representations and warranties hereunder as if such assignee were the original Seller hereunder.

#### 11.6 Severability

If any provision of this Agreement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Agreement and to this end the provisions of this Agreement are intended to be and shall be severable; provided, however, if such unenforceability or invalidity alters the substance of this Agreement (taken as a whole) so as to deny either party, in a material way, the realization of the intended benefit of its bargain, such party may terminate this Agreement by notice to the other party within thirty (30) days after the final determination. If such party so elects to terminate this Agreement, Buyer shall be entitled to the return of (i) the Deposits less the Independent Consideration and (ii) any Option Payments or Deposits that have been previously released to Seller or have become nonrefundable to Buyer in accordance with the terms of this Agreement, the Escrow and the rights and obligations of the parties hereunder shall terminate as of the date of such notice, except for obligations that expressly survive the termination of this Agreement.

#### 11.7 Governing Laws

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

#### 11.8 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.

#### 11.9 Notices

Any notice or other communication required or permitted under this Agreement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx or United Parcel Service, along with an e-mail courtesy-copy addressed to the parties as follows:

If to Seller:

If by registered or certified mail, return receipt requested:

Manager, Surplus Property  
PG&E Land Management  
P.O. Box 770000, Mail Code N10A  
San Francisco, CA 94177  
Email: [landsales@pge.com](mailto:landsales@pge.com)

With a concurrent copy to:

Law Department  
Pacific Gas and Electric Company  
P.O. Box 7442  
San Francisco, CA 94120  
Attn: Managing Counsel,  
Environmental and Real Estate Group  
Email: [ahk4@pge.com](mailto:ahk4@pge.com)

If by personal delivery or courier service:

Manager, Surplus Property  
PG&E Land Management  
245 Market Street, Room 1017B  
San Francisco, CA 94105  
Email: [landsales@pge.com](mailto:landsales@pge.com)

With a concurrent copy to:

Law Department  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B30A  
San Francisco, CA 94105  
Attn: Managing Counsel,  
Environmental and Real Estate Group  
Email: [ahk4@pge.com](mailto:ahk4@pge.com)

If to Buyer:

SUMMERHILL HOMES LLC  
3000 Executive Parkway, Suite 450  
San Ramon, CA 94583  
Attn: Lance Freed, Vice President of Land Acquisition  
Fax: (925) 244-7501  
Email: [lfreed@shhomes.com](mailto:lfreed@shhomes.com)

With a copy to

SUMMERHILL HOMES LLC  
777 California Avenue  
Palo Alto, CA 94304  
Attn: General Counsel  
Fax: (650) 213-8183  
Email: [biggs@shhousinggroup.com](mailto:biggs@shhousinggroup.com)

E-mail alone is insufficient for any purposes under this Agreement; hardcopies of any notice or other communication are required in order to be effective. The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if

transmitted by mail or overnight courier. Any party may change the address for notice by giving notice to the other party in accordance with this Section.

Notwithstanding anything to the contrary in this Agreement, no notice shall be served solely by electronic mail. Service shall be in writing to the addresses above, with an optional courtesy copy via electronic mail to the address listed.

#### 11.10 Legal Fees

If either party shall bring an action to enforce its rights under this Agreement, or relating to the interpretation hereof, whether for declaratory or other relief, the prevailing party in any such proceeding shall be entitled to recover from the other party reasonable attorneys' fees and all costs, expenses and disbursements that the prevailing party incurred in connection with such proceeding and any appeal thereof (including, but not limited to, the reasonable costs of discovery, investigation, preparation for trial, professional or expert consultation and testimony). Buyer shall also pay all attorneys' fees and costs Seller incurs in defending this Agreement or otherwise protecting Seller's rights in any voluntary or involuntary bankruptcy case, assignment for the benefit of creditors, or other insolvency, liquidation or reorganization proceeding involving Buyer or this Agreement, including all motions and proceedings related to relief from an automatic stay, use of cash collateral, claim objections, disclosure statements and plans of reorganization. A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. The costs to which the prevailing party is entitled shall include all costs that are allowable under any applicable statute, including Code of Civil Procedure Sections 1032 and 1033.5, as well as non-statutory costs, including costs of investigation, copying costs, electronic discovery costs, electronic research costs, telephone charges, mailing and delivery charges, information technology support charges, consultant and expert witness fees and costs, travel expenses, court reporter fees, transcripts of court proceedings not ordered by the court, mediator fees and attorneys' fees incurred in discovery, contempt proceedings, and bankruptcy, insolvency, liquidation and reorganization proceedings. The non-prevailing party shall also pay the attorneys' fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. For purposes hereof, the reasonable fees of Seller's in-house attorneys who perform services in connection with any such action are recoverable, and shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the relevant subject matter area of the law, in law firms in the City of San Francisco with approximately the same number of attorneys as are employed by Seller's Law Department. Any such fees and costs incurred before judgment, award, or decree may be included in any judgment, award or decree entered in such proceeding in favor of the prevailing party. Any such fees, costs and expenses incurred by the prevailing party in enforcing a judgment, award or decree in its favor shall be recoverable separately from and in addition to any other amount included in such judgment, award or decree. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement.

#### 11.11 Confidentiality; No Publicity

(a) Except to the extent required by law, and except to the extent requested by any governmental or quasi-governmental authority (including the CPUC, FERC, and the Federal Energy Regulatory Commission), Buyer shall not disclose the terms of this Agreement to any third party without the prior written consent of Seller. It is understood that the confidentiality of the terms hereof is critical to preserve the financial integrity of the Property. Buyer shall not record this Agreement or any short form memorandum of this Agreement prior to the release of the First Deposit to Seller.

(b) The parties agree to coordinate all communication relating to this transaction. Buyer shall not issue any news releases, respond to any media inquiries, or otherwise make any statements, even in an "off the record" conversation, regarding this transaction. This prohibition includes making posts on internet and intranet site(s). All communication about this transaction, both verbal

and in writing, must be approved in advance in writing by Seller or be presented in a manner that is consistent with communications prepared by Seller.

(c) For purposes of this Agreement, it shall not be a breach or default of the confidentiality provisions of this Agreement if any documents, information or material is or becomes publicly available without breach of this Agreement by Buyer; or is rightfully received by Buyer from a third party without obligations of confidentiality.

(d) Concurrently with the execution of this Agreement, Seller and Buyer agree that a Memorandum of this Agreement in the form of Exhibit H attached hereto ("Memorandum of Agreement") shall be executed and acknowledged concurrently herewith. The Memorandum of Agreement will be recorded against the Property contemporaneously with the release of the First Deposit to Seller. As a further condition to the recordation of the Memorandum of Agreement, Buyer shall deposit into the Escrow a Termination of Memorandum of Agreement removing the Memorandum of Agreement from record, duly executed by Buyer in recordable form. Upon a termination of this Agreement, Escrow Holder is instructed by the parties to record the Termination of Memorandum of Agreement removing the Memorandum of Agreement from record.

#### 11.12 Limitation on Liability

Buyer expressly agrees that the obligations and liabilities of Seller under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals and representatives of Seller. Seller's liability, if any, arising in connection with this Agreement or with the Property shall be limited to Seller's interest in the Property, or to the sales proceeds from the Property subsequent to the Close of Escrow, for the recovery of any judgment against Seller, and Seller's liability shall not extend to any other property or assets of Seller. The limitations of liability contained in this Section shall apply equally and inure to the benefit of Seller's present and future officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals and representatives, and their respective heirs, successors and assigns.

#### 11.13 Required Actions of Buyer and Seller

Buyer and Seller agree to take such reasonable actions, including acknowledging, delivering or executing instruments and documents, as may be required to effectuate the purposes of this Agreement or to close the purchase and sale of the Property as contemplated herein, except that Seller shall be obligated to provide an Owner's Affidavit only in a form acceptable to Seller, in Seller's sole and absolute discretion.

#### 11.14 RESERVED

#### 11.15 Joint and Several Liability

If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this Agreement as Buyer, the liability of each such individual, corporation, partnership or other business association to perform Buyer's obligations hereunder shall be deemed to be joint and several, and all notices, payments and agreements given or made by, with or to any one of such individuals, corporations, partnerships or other business associations shall be deemed to have been given or made by, with or to all of them. In like manner, if Buyer shall be a partnership or other business association, the members of which are, by virtue of statute or federal law, subject to personal liability, then the liability of each such member shall be joint and several.

#### 11.16 Captions

Captions to the paragraphs and sections in this Agreement are included for convenience only and do not modify any of the terms of this Agreement.

#### 11.17 Interpretation

This Agreement shall be construed according to the fair meaning of its language. The rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement. The captions in this Agreement are for convenience of reference only and shall not be used to define or interpret any provision hereof. Unless the context clearly requires otherwise, (i) the plural and singular shall each be deemed to include the other; (ii) the masculine, feminine, and neuter genders shall each be deemed to include the others; (iii) "shall," "will," or "agrees" are mandatory, and "may" is permissive; (iv) "or" is not exclusive; (v) "include," "includes," and "including" are not intended to be restrictive, and lists following such words shall not be interpreted to be exhaustive or limited to items of the same type as those enumerated; and (vi) "days" means calendar days, except if the last day for performance occurs on a Saturday, Sunday, or any legal holiday, the day before or after Thanksgiving or December 23 through January 2, then the next succeeding business day shall be the last day for performance.

#### 11.18 Mandatory Negotiation and Mediation

(a) Except as provided in this Section, Seller and Buyer agree to first negotiate and then mediate with respect to any claim or dispute arising out of or relating to this Agreement, before resorting to court action. Either party may initiate settlement negotiations by providing written notice to the other party, setting forth the subject of the claim or dispute. Buyer and Seller agree to cooperate in scheduling negotiations and to participate in the settlement negotiations in good faith. If Buyer and Seller fail to settle such claim or dispute within thirty (30) days after the date of mailing of the notice initiating settlement negotiations or within such additional time period as the parties may agree in writing, the parties agree to submit the matter to JAMS for mediation within thirty (30) days thereafter. Either party may commence mediation by providing to JAMS and the other party a written request for mediation, setting forth the subject of the claim or dispute and the relief requested (the "Mediation Notice"). Except as provided herein or by written agreement of the parties, the mediation shall be conducted in San Francisco pursuant to the JAMS rules. The parties will cooperate in selecting a mediator from the JAMS panel of neutrals, and in scheduling the mediation proceedings. If the parties do not select a mediator within thirty (30) days after the Mediation Notice, the parties agree that either party may request that JAMS in San Francisco, California, facilitate the choice of mediator by applying the "strike and rank" process used for appointment of arbitrators in arbitration proceedings, or to appoint a mediator, if necessary, and both parties agree to the appointment of such mediator as so selected. The parties agree to participate in the mediation in good faith, and to share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by either of the parties, their employees, agents, experts and attorneys, and by the mediator and any other JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties, but evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. If JAMS should no longer exist at the time the claim or dispute arises, the matter shall be submitted to its successor entity, or if there is no such successor entity, to the American Arbitration Association or other similar organization mutually agreed upon by the parties, and except as provided herein or by mutual agreement of the parties, the mediation rules of such successor or alternate organization shall apply. Except as may be expressly set forth in any written settlement agreement, should the matter be settled by negotiation or mediation before commencing court action, each party shall pay its own attorneys' fees and costs. Except as provided in Section 11.18(b), neither party may commence an action arising out of or relating to this Agreement until expiration of the negotiation period and completion of the initial mediation session in accordance with this Section. If either party commences an action with respect to a claim or dispute covered by this Section without first attempting to resolve the matter through negotiation and mediation, or refuses to negotiate or mediate after a request has been made, then that party shall not be entitled to recover attorneys' fees and costs, even if such fees and costs would otherwise be available to that party in such action.

(b) Either party may seek equitable relief to preserve the status quo before participating in the negotiation and mediation proceedings required pursuant to Section 11.18(a). In

addition, matters that are within the jurisdiction of probate, small claims, or bankruptcy court are excluded from mandatory negotiation and mediation hereunder.

(c) The provisions of this Section 11.18 may be enforced by any court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all fees and costs, including reasonable attorneys' fees, to be paid by the party against which enforcement is ordered. The covenants of Seller and Buyer contained in this Section 11.18 shall survive the expiration or earlier termination of this Agreement or the Close of Escrow.

**Buyer:** SUMMERHILL HOMES, LLC

**Seller:** PACIFIC GAS AND ELECTRIC COMPANY

By: \_\_\_\_\_

Print Name: Lance Freed

By: E-SIGNED by Janet Loduca  
on 2019-09-27 22:05:39 GMT

By: \_\_\_\_\_

Print Name: Joshua Taylor  
Assistant Secretary

Print Name: Janet Loduca

Senior Vice President and General Counsel

#### 11.19 Exhibits

The following Exhibits are attached hereto and incorporated by reference into this Agreement:

- Exhibit A – Legal Description of Property
- Exhibit B – Joint Escrow Closing Instructions
- Exhibit C – Grant Deed
- Exhibit D – Environmental Reports
- Exhibit E – Natural Hazard Disclosure Statement
- Exhibit F – Disclosure Exhibit
- Exhibit G – Preliminary Title Report
- Exhibit H – Memorandum of Purchase Agreement

#### 11.20 Entire Agreement; Amendment

This Agreement and the exhibits hereto contain the entire understanding of the parties relating to the subject matter hereof and shall supersede any prior written or oral agreements or communications between the parties pertaining to such subject matter. Seller's or Buyer's obligations under this Agreement may not be altered or amended in any respect except by a writing executed by both Buyer and Seller.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

SELLER:

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

By: E-SIGNED by Janet Loduca  
on 2019-09-27 22:05:45 GMT

Print Name: Janet Loduca

Its: Senior Vice President and General Counsel

Date: September 27, 2019

BUYER:

SUMMERHILL HOMES, LLC,  
a California limited liability company

By: [Signature]

Print Name: Lance Fred

Its: VP of Land

Date: 9/17/19

By: [Signature]

Print Name: Joshua Taylor  
Assistant Secretary

Its: \_\_\_\_\_

Date: 9/17/19

**NOTE:** BUYER AND SELLER ARE TO SPECIFICALLY ACKNOWLEDGE THEIR AGREEMENT WITH SECTION 9.1 AND 11.18 HEREOF BY PLACING THEIR SIGNATURES WHERE INDICATED BELOW SUCH SECTION.

The undersigned representative of Escrow Holder hereby accepts the foregoing instructions and agrees to comply with them in connection with the purchase and sale of the Property.

Title Company

First American Title Insurance Company

Effective Date \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Representative

EXHIBIT A

**LEGAL DESCRIPTION OF PROPERTY**

Real property in the City of San Jose, County of Santa Clara, State of California, described as follows:

A PORTION OF THE LAND DESCRIBED IN THAT CERTAIN DEED FROM GEORGE CAHEN TO PACIFIC GAS AND ELECTRIC COMPANY DATED OCTOBER 22, 1962 AND RECORDED IN [BOOK 5762 OF OFFICIAL RECORDS, PAGE 174](#), IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA\COUNTY, DESCRIBED AS FOLLOWS:

PARCEL A

THAT PORTION OF PARCEL 3 AS SAID PARCEL IS DESCRIBED AND SO DESIGNATED IN SAID DEED, AND AS SAID PARCEL IS SHOWN AND DESIGNATED "PARCEL 1" ON THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY OF PORTIONS OF RANCHO LOS CAPITANCILLOS AND RANCHO SAN VICENTE (BERREYESA) FOR PACIFIC GAS AND ELECTRIC COMPANY" FILED FOR RECORD FEBRUARY 20, 1963 IN [BOOK 157 OF MAPS AT PAGE 25](#), IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA COUNTY, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THAT PARCEL OF LAND DESCRIBED AND SO DESIGNATED AS PARCEL ONE IN THAT CERTAIN GRANT DEED FROM PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION TO BROOKTREE ASSOCIATES, A JOINT VENTURE COMPOSED OF RICHARD A. GARDNER, MARIA E. GARDNER, PETER RABOLI, DIANE RABOLI, ROBERT N. SAXON AND ANNE-LEE SAXON DATED MARCH 26, 1981 AND RECORDED IN [BOOK G199 OF OFFICIAL RECORDS, PAGE 744](#), IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA COUNTY.

EXCEPTING THEREFROM THE PARCEL OF LAND DESCRIBED IN THE GRANT DEED FROM PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION TO THE COUNTY OF SANTA CLARA, A PUBLIC BODY OF THE STATE OF CALIFORNIA DATED APRIL 16, 1982 FILED IN [BOOK G827 OF OFFICIAL RECORDS, PAGE 27](#), IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA COUNTY, SAID PARCEL SHOWN AND DESIGNATED PARCEL B ON THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY" FILED FOR RECORD JANUARY 28, 1981 IN [BOOK 479 OF MAPS PAGE 6](#), IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA COUNTY, COMMONLY KNOWN AS ALMADEN EXPRESSWAY.  
APN: 701-58-048 (NOTE: PARCEL A DESCRIBED HEREIN AFFECTS A PORTION OF SAID APN)  
APN: 701-48-057 (NOTE: PARCEL A DESCRIBED HEREIN AFFECTS A PORTION OF SAID APN)

PARCEL B

ALL OF PARCEL 2 AS SAID PARCEL IS DESCRIBED AND SO DESIGNATED IN SAID DEED DATED OCTOBER 22, 1962, AND AS SAID PARCEL IS SHOWN AND DESIGNATED "PARCEL 2" ON THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY OF PORTIONS OF RANCHO LOS CAPITANCILLOS AND RANCHO SAN VICENTE (BERREYESA) FOR PACIFIC GAS AND ELECTRIC COMPANY" FILED FOR RECORD FEBRUARY 20, 1963 IN [BOOK 157 OF MAPS, PAGE 25](#), IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA COUNTY.

APN: 701-58-048 (NOTE: PARCEL B DESCRIBED HEREIN AFFECTS A PORTION OF SAID APN)

PARCEL C

ALL OF PARCEL 1 AS SAID PARCEL IS DESCRIBED AND SO DESIGNATED IN SAID DEED DATED OCTOBER 22, 1962, AND AS SAID PARCEL IS SHOWN AND DESIGNATED "PARCEL 3" ON THAT CERTAIN MAP ENTITLED "RECORD OF SURVEY OF PORTIONS OF RANCHO LOS CAPITANCILLOS AND RANCHO SAN VICENTE (BERREYESA) FOR PACIFIC GAS AND ELECTRIC COMPANY" FILED FOR RECORD

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FEBRUARY 20, 1963 IN BOOK 157 OF MAPS, PAGE 25, IN THE OFFICE OF THE COUNTY RECORDER OF SANTA CLARA COUNTY.

APN: 701-58-048 (NOTE: PARCEL C DESCRIBED HEREIN AFFECTS A PORTION OF SAID APN)

EXHIBIT B

JOINT ESCROW CLOSING INSTRUCTIONS

Date: \_\_\_\_\_

First American Title Company  
1737 North First Street  
San Jose, CA 95112  
Attn: Linda Tugade

Re: Escrow No. \_\_\_\_\_  
PG&E's Portswood Property, Santa Clara County, California

Ladies and Gentlemen:

These shall constitute the Joint Escrow Closing Instructions of Pacific Gas and Electric Company ("PG&E" or "Seller") and **SummerHill Homes, LLC** ("Buyer") under that certain Pacific Gas and Electric Company Standard Purchase and Sale Agreement dated \_\_\_\_\_, \_\_\_\_\_ ("Purchase Agreement") with regard to the following property: Portswood Drive, San Jose, California, bearing Santa Clara County Assessor's Parcel Nos. 701-48-057 and 701-58-048 ("Property"). The purchase price for the Property is \$10,000,000 ("Purchase Price"). Chicago Title Insurance Company ("Title Company") has received a copy of the Purchase Agreement and California Public Utilities Commission's Decision dated \_\_\_\_\_, approving the sale of the Property by Seller. Unless otherwise defined herein, all capitalized words or terms used in these Joint Escrow Closing Instructions shall have the meanings ascribed to them in the Purchase Agreement.

**1. DOCUMENTS AND FUNDS.**

You shall be in a position to close escrow upon fulfillment of all of the conditions set forth below:

1.1. When you have received from Seller and Buyer, as indicated below, the following funds and documents:

(a) From Seller:

(i) A Grant Deed duly executed and acknowledged by Seller conveying the Property to Buyer;

(ii) Both California and U.S. non-foreign person affidavits ("Affidavits") executed by Seller; and

(iii) Any other instructions Seller may deem necessary which are not inconsistent with the terms of this Agreement; and

(iv) Such other instruments and documents as are reasonably required by the terms of this Agreement or by the Title Company, including an Owner's Affidavit, if required by the Title Company to issue the title insurance policy to Buyer described in Section 4.4, in a form approved by Seller, in Seller's sole and absolute discretion.

(b) From Buyer:

- (\$\_\_\_);
- (i) The First Deposit in the amount of \$50,000 and 00/100 Dollars
  - (ii) The Second Deposit in the amount of \$200,000;
  - (iii) The Third Deposit in the amount of \$500,000;
  - (iv) The balance of the Purchase Price in the amount of \$10,450,000;
  - (v) Any additional funds required to pay Buyer's share of closing costs and pro-rations;
  - (vi) Any other instructions Buyer may deem necessary which are not inconsistent with the terms of this Agreement; and
  - (vii) Such other instruments and documents as are reasonably required by the terms of this Agreement or by the Title Company.

1.2. The Title Company shall be prepared to issue to Buyer the title insurance policy in accordance with Section 4.4 of the Purchase Agreement.

1.3. You have received telephonic confirmation from Buyer and Seller, or their respective counsel, that all of the conditions to the Close of Escrow to be fulfilled outside of this escrow have been fulfilled to the satisfaction of Buyer and Seller.

1.4. Upon satisfaction of the foregoing conditions, you are to inform Buyer and Seller by telephone that all such conditions have been satisfied.

## **2. SPECIAL NOTE: REAL PROPERTY TAXES.**

Real property owned by PG&E is assessed by the California State Board of Equalization and not by the County Assessor. Property is assessed as of January 1 in each year and the tax becomes a lien on the property as of January 1 for the subsequent July 1 - June 30 tax year. Property will not be removed from the state tax rolls to the county tax rolls until the tax year following the one in which title to the property is transferred. **Therefore, if this escrow closes between January 1 and June 30, you are instructed to collect from Buyer its pro rata share of taxes for the current tax year AND the entire amount of the tax for the tax year beginning on the July 1 immediately following the Close of Escrow. If escrow closes between July 1 and December 31, you are instructed to collect from Buyer its pro rata share of the taxes for the current tax year only.** PG&E has undertaken directly with Buyer to pay property taxes due and payable for the tax years for which PG&E has collected funds from Buyer.

## **3. STEPS TO CLOSE ESCROW.**

When you are in a position to close escrow, assemble all documents that have been submitted to escrow in counterpart by attaching the signature page received from Buyer to the document received from Seller, date all documents that are undated as of the closing date, and proceed as follows, and record documents exactly in the order set forth below:

3.1. Record the Grant Deed and instruct the Santa Clara County Recorder to deliver the original Grant Deed to Buyer after recording;

3.2. Charge the respective accounts of Buyer and Seller for recording fees, filing fees, real property conveyance or documentary transfer taxes, title insurance premiums, notary fees, escrow fees and other costs and prorations in accordance with Sections 3.4 and 3.5 of the Purchase Agreement;

3.3. Pay to or for the account of Seller the amount of the Purchase Price, plus the prorated real property taxes for the current tax year and, if applicable, all of the real property taxes for the following tax year, and less any closing costs and prorations agreed to by Seller and in the manner directed by Seller;

3.4. Deliver the Affidavits to Buyer;

3.5. Deliver final escrow settlement statements, as approved by Buyer and Seller, to Buyer and Seller; and

3.6. Comply with any additional supplemental instructions submitted by Buyer or Seller, which are not inconsistent with these instructions.

**4. MISCELLANEOUS.**

4.1. These instructions may not be modified except in writing executed by the undersigned or the party to be charged. If this escrow is not in a position to close on a date and time consistent with Section 3 of the Purchase Agreement, then you are to hold all documents and funds until further instructed by the undersigned.

4.2. These instructions may be executed in counterparts, and when taken together, the counterparts shall constitute one set of escrow instructions.

4.3. If you have any questions regarding these instructions, please contact the undersigned

4.4. All funds due to Seller are to be wire transferred to Mellon GCM (Boston Safe Deposit and Trust Co.), Boston, MA, ABA Routing Number: 011001234, for credit to: PG&E Depository Account, Account Number 075477. Please include the following information with the wire transfer: Contact Person: \_\_\_\_\_, Company Number \_\_\_\_\_, SAP Order Number \_\_\_\_\_, Billing Document \_\_\_\_\_.

4.5. All documents to be forwarded to Seller, and any extra originals of any documents held by the Title Company after disbursement of documents as directed herein, should be sent to:

Pacific Gas and Electric Company  
Surplus Property  
Attention: Darin Polsley  
Mail Code N10A  
P.O. Box 770000  
San Francisco, Ca 94177

If you agree to be bound by these instructions, please acknowledge the enclosed two copies of these instructions and return one copy each to Buyer and Seller.

Very truly yours,

SELLER:

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

BUYER:

SUMMERHILL HOMES, LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

RECEIPT AND ACKNOWLEDGMENT:

FIRST AMERICAN TITLE COMPANY

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

EXHIBIT C  
GRANT DEED

**RECORDING REQUESTED BY:**

First American Title Insurance Company  
National Commercial Services

**MAIL TAX STATEMENT  
AND WHEN RECORDED MAIL  
DOCUMENT TO:**

SummerHill Homes LLC  
Attn: General Counsel  
777 California Avenue  
Palo Alto, California 94304

Space Above This Line for Recorder's  
Use Only

A.P.N.: 701-48-057 and 701-58-048

File No.: NCS-906845-SC (LT)

**GRANT DEED**

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$ \_\_\_\_\_; CITY

TRANSFER TAX \$-0-;

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 **Santa Clara**, and

EXEMPT FROM BUILDING HOMES AND JOBS ACTS FEE PER GOVERNMENT CODE 27388.1(a)(2)

[        ] \_\_\_\_\_

Signature of Declarant

FOR A VALUABLE CONSIDERATION, receipt of which is hereby  
acknowledged, **PACIFIC GAS AND ELECTRIC COMPANY**, a  
California corporation

hereby GRANTS to **SummerHill Homes LLC, a California limited liability  
company**

the following described property in the City of San Jose, County of **Santa Clara**,  
State of **California**:

**[INSERT LEGAL DESCRIPTION]**

A.P.N.: 701-48-057 and 701-58-048

PACIFIC GAS AND ELECTRIC COMPANY,  
a California corporation

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

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 \_\_\_\_\_ )SS

COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public,

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.  
seal.

*This area for official notarial*

\_\_\_\_\_  
Notary Signature

EXHIBIT D  
ENVIRONMENTAL REPORTS

- 1) Phase I Environmental Site Assessment, dated April 26, 2018, prepared by Environmental Resources Management.
- 2) Phase II Environmental Site Assessment, dated May 21, 2018, prepared by Environmental Resources Management.

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EXHIBIT E  
NATURAL HAZARD DISCLOSURE REPORT

## NATURAL HAZARD DISCLOSURE STATEMENT

THIS NATURAL HAZARD DISCLOSURE STATEMENT APPLIES TO THE FOLLOWING PROPERTY:  
**NO SITE ADDRESS, SAN JOSE, CA, 95120 ("PROPERTY")**

The transferor and his or her agent(s) or a third-party consultant disclose the following information with the knowledge that even though this is not a warranty, prospective transferees may rely on this information in deciding whether and on what terms to purchase the Property. Transferor hereby authorizes any agent(s) representing any principal(s) in this action to provide a copy of this Statement to any person or entity in connection with any actual or anticipated sale of the Property.

The following are representations made by the transferor and his or her agent(s) based on their knowledge and maps drawn by the state and federal governments. This information is a disclosure and is not intended to be part of any contract between the transferee and transferor.

**THIS REAL PROPERTY LIES WITHIN THE FOLLOWING HAZARDOUS AREA(S):**

A SPECIAL FLOOD HAZARD AREA (Any type Zone "A" or "V") designated by the Federal Emergency Management Agency.

Yes: \_\_\_\_\_ No: ☒ Do not know and information not available from local jurisdiction: \_\_\_\_\_

AN AREA OF POTENTIAL FLOODING shown on a dam failure inundation map pursuant to section 8589.5 of the Government Code.

Yes: \_\_\_\_\_ No: ☒ Do not know and information not available from local jurisdiction: \_\_\_\_\_

A VERY HIGH FIRE HAZARD SEVERITY ZONE pursuant to section 51178 or 51179 of the Government Code. The owner of this Property is subject to the maintenance requirements of section 51182 of the Government Code.

Yes: \_\_\_\_\_ No: ☒

A WILDLAND AREA THAT MAY CONTAIN SUBSTANTIAL FOREST FIRE RISKS AND HAZARDS pursuant to section 4125 of the Public Resources Code. The owner of this Property is subject to the maintenance requirements of section 4291 of the Public Resources Code. Additionally, it is not the state's responsibility to provide fire protection services to any building or structure located within the wildlands unless the Department of Forestry and Fire Protection has entered into a cooperative agreement with a local agency for those purposes pursuant to section 4142 of the Public Resources Code.

Yes: \_\_\_\_\_ No: ☒

AN EARTHQUAKE FAULT ZONE pursuant to section 2622 of the Public Resources Code.

Yes: \_\_\_\_\_ No: ☒

A SEISMIC HAZARD ZONE pursuant to section 2696 of the Public Resources Code.

Yes (Landslide Zone): \_\_\_\_\_ No: ☒ Map not yet released by the state: \_\_\_\_\_

Yes (Liquefaction Zone): \_\_\_\_\_ No: ☒ Map not yet released by the state: \_\_\_\_\_

THESE HAZARDS MAY LIMIT YOUR ABILITY TO DEVELOP THE PROPERTY, TO OBTAIN INSURANCE, OR TO RECEIVE ASSISTANCE AFTER A DISASTER.

THE MAPS ON WHICH THESE DISCLOSURES ARE BASED ESTIMATE WHERE NATURAL HAZARDS EXIST. THEY ARE NOT DEFINITIVE INDICATORS OF WHETHER OR NOT A PROPERTY WILL BE AFFECTED BY A NATURAL DISASTER. TRANSFEE(S) AND TRANSFEROR(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE REGARDING THOSE HAZARDS AND OTHER HAZARDS THAT MAY AFFECT THE PROPERTY.

Signature of Transferor(s): \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Transferor(s): \_\_\_\_\_ Date: \_\_\_\_\_

Agent(s): \_\_\_\_\_ Date: \_\_\_\_\_

Agent(s): \_\_\_\_\_ Date: \_\_\_\_\_

Check only one of the following:

\_\_\_\_\_ Transferor(s) and their agent(s) represent that the information herein is true and correct to the best of their knowledge as of the date signed by the transferor(s) and agent(s).

☒ Transferor(s) and their agent(s) acknowledge that they have exercised good faith in the selection of a third-party report provider as required in Civil Code section 1103.7, and that the representations made in this Statement are based upon information provided by the independent third-party disclosure provider as a substituted disclosure pursuant to Civil Code section 1103.4. Neither Transferor(s) nor their agent(s) (1) has independently verified the information contained in this Statement and report or (2) is personally aware of any errors or inaccuracies in the information contained on this Statement. This Statement was prepared by the provider below:

**This statement was prepared by the following third-party disclosure provider: HomeServicesNHD on 09/13/19**

Transferee represents that he or she has read and understands this Statement. Pursuant to Civil Code section 1103.8, the representations made in this Statement do not constitute all of the transferor's or agent's disclosure obligations in this transaction.

By signing below, Transferee(s) also acknowledge(s) they have received, read, and understand the additional disclosures, materials and legal information provided in this Report, in the tax disclosures (Mello-Roos and Special Assessments), in the Environmental Report (if ordered), and in the required notices and booklets/information regarding Environmental Hazards, Earthquake Safety, Home Energy Rating System, Lead-Based Paint and Mold, all of which are available at [www.hsnhd.com/books](http://www.hsnhd.com/books).

Signature of Transferee(s): \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Transferee(s): \_\_\_\_\_ Date: \_\_\_\_\_

## REPORT SNAPSHOT

# WHAT YOU NEED TO KNOW ABOUT THIS NHD REPORT

NO SITE ADDRESS, SAN JOSE, CA, 95120

PREMIUM RESIDENTIAL REPORT



The Natural Hazards Disclosure Act under Sec. 1103 of the California Civil Code states that real estate sellers and brokers are legally required to disclose if the property being sold lies within one or more state or locally mapped hazard areas.



There are **0** California Natural Hazard Disclosures marked **"IN"** for your review.



There are **2** Additional Disclosures marked **"IN"** for your review.



There are **0** City/County Disclosures marked **"IN"** for your review.



There are **3** Environmental Disclosures marked **"IN"** for your review.



Subject property is located in an **"UNDETERMINED"** special flood hazard area.



The Natural Hazard Disclosure Statement is to be signed by the buyer, seller, and listing agent upon review and receipt of this report.

For hazard booklets and other resources, go to: <https://www.homeservicesnhd.com/resources>

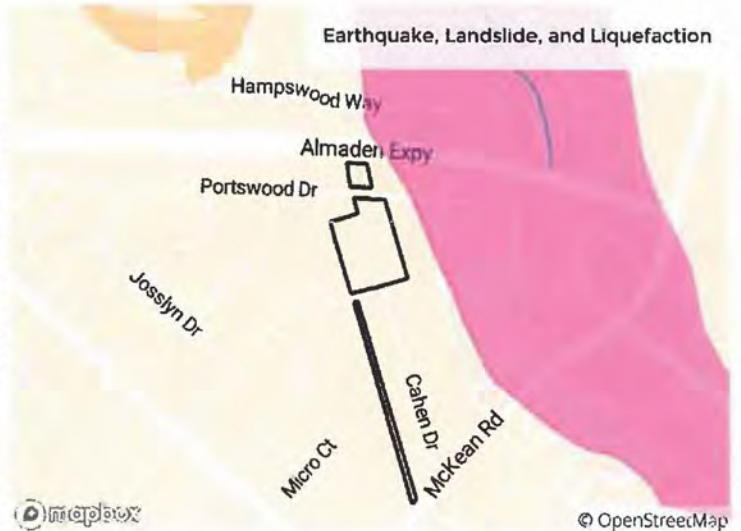
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## CALIFORNIA NATURAL HAZARD DISCLOSURES



## CALIFORNIA NATURAL HAZARD DISCLOSURES

Pursuant to the Natural Hazards Disclosure Act (California Civil Code sections 1103-1103.14), sellers of real property and their agents are required to provide prospective buyers with a "Natural Hazard Disclosure Statement" when the property being sold lies within one or more state-mapped hazard areas. In addition to the Natural Hazard Disclosure Statement, HomeServicesNHD has included the following information in this report to aid prospective buyers in understanding the purpose and potential impacts associated with the statutorily-required natural hazard disclosures. The following information is not intended to substitute or supersede the information provided on the Natural Hazard Disclosure Statement.

### SPECIAL FLOOD HAZARD AREA

The Federal Emergency Management Agency (FEMA) identifies flood hazards, assesses flood risks and partners with states and communities to provide accurate flood hazard and risk data. Flood hazard mapping is an important part of the National Flood Insurance Program (NIPA) because it serves as the basis for flood insurance requirements. Special Flood Hazard Areas are land areas that are at a high risk for flooding, meaning there is at least a one in four chance of flooding during a 30-year period. When a property is identified as a Special Flood Hazard Area, the cost and availability of flood insurance may be impacted.

Based on the maps reviewed, the subject property is in an **UNDETERMINED** special flood hazard area.

### AREA OF POTENTIAL FLOODING/DAM INUNDATION

The California Office of Emergency Services (CalOES) Dam Safety Program requires dam owners to submit copies of inundation maps developed by civil engineers to help determine if a property is within an inundation area. Inundation maps approximate the maximum water surface extents resulting from a complete dam breach and draining of the full reservoir, which can only be verified in the event of an actual dam breach. The actual risk of dam failure is not defined by the inundation maps. In addition to the inundation maps, the CalOES Dam Safety Program coordinates with other state and federal agencies to assure effective dam incident emergency response procedures and planning.

Based on the maps reviewed, the subject property **IS NOT** located in a Area of Potential Flooding/Dam Inundation.

### VERY HIGH FIRE SEVERITY ZONE

Very High Fire Hazard Severity Zones have been mapped by the California Department of Forestry and Fire Protection to indicate areas with increased fire risk. Fire Hazard is a way to measure the physical fire behavior so that people can predict the damage a fire is likely to cause. Fire hazard measurements include the speed at which a wildfire moves, the amount of heat the fire produces, and most importantly, the burning fire brands that the fire send ahead of the flaming front. Fire Hazard maps are used to guide building construction standards, defensible space clearance around buildings, and property development standards.

Based on the maps reviewed, the subject property **IS NOT** located in a Very High Fire Severity Zone.

## CALIFORNIA NATURAL HAZARD DISCLOSURES

### STATE FIRE RESPONSIBILITY AREA

The State of California Department of Forestry and Fire Protection (CAL FIRE) designates State Fire Responsibility Areas (SRA). SRA lands are those where the State of California is financially responsible for the prevention and suppression of wildfires. Owners of habitable structures located in areas identified as SRA lands may pay a State Responsibility Area Fire Prevention Fee (SRA Fee), which is used to fund a variety of fire prevention activities including fuel reduction projects, evacuation routes, and infrastructure. Fee Payers are still responsible for paying SRA Fee bills that were generated prior to July 1, 2017. No new bills for periods on or after July 1, 2017 will be generated after July 1, 2017.

Based on the maps reviewed, the subject property **IS NOT** located in a State Fire Responsibility Area.

### EARTHQUAKE FAULT ZONE

The Alquist-Priolo Earthquake Fault Zoning Act (AP Act) was passed into law following the destructive 1971 San Francisco earthquake. The AP Act provides a mechanism for reducing losses from surface fault rupture on a statewide basis. The intent of the AP Act is to ensure public safety by prohibiting the siting of most structures for human occupancy across traces of active faults that constitute a potential hazard to structures from surface faulting or fault creep. Earthquake Fault Zone maps are delineated and compiled by the California State Geologist. This report is not a substitute for a fault study conducted by a State Licensed geologist.

Based on the maps reviewed, the subject property **IS NOT** located in a Earthquake Fault Zone.

### LANDSLIDE SEISMIC HAZARD ZONE

Landslide Seismic Hazard Zones are regulatory zones that encompass areas prone to earthquake-induced landslides. If a property is identified as part of a Landslide Seismic Hazard Zone, it means the state has determined that there is likely weak soil and/or rock present and that these materials can fail during earthquake events unless proper precautions are taken during grading and construction of structures. Within Landslide Seismic Hazard Zones, undeveloped properties are required to obtain a site-specific investigation by a license engineering geologist and/or civil engineer before the property can be subdivided or before most structures can be permitted. The Natural Hazards Disclosure Act requires the State Geologist to establish regulatory zones and to issue appropriate maps to all affected cities, counties and state agencies for their use in planning and controlling construction and development.

Based on the maps reviewed, the subject property **IS NOT** located in a Landslide Seismic Hazard Zone.

### LIQUEFACTION SEISMIC HAZARD ZONE

Liquefaction Seismic Hazard Zones are regulatory zones that encompass areas prone to liquefaction or the failure of water-saturated soil. If a property is identified as part of a Liquefaction Seismic Hazard Zone, it means the state has determined that there is likely weak soil and/or rock present and that these materials can fail during earthquake events unless proper precautions are taken during grading and construction of structures. Within Liquefaction Seismic Hazard Zones, undeveloped properties are required to obtain a site-specific investigation by a licensed engineering geologist and/or civil engineer before the property can be subdivided or before most structures can be permitted. The Natural Hazards Disclosure Act requires the State Geologist to establish regulatory zones and to issue appropriate maps to all affected cities, counties and state agencies for their use in planning and controlling construction and development.

Based on the maps reviewed, the subject property **IS NOT** located in a Liquefaction Seismic Hazard Zone.

## ADDITIONAL DISCLOSURES

### AIRPORT INFLUENCE AREA

Pursuant to California Civil Code Section 1103.4, notice to potential buyers is required if a property is encompassed within an airport influence area, which is defined as "an area in which current or future airport related noise, overflight, safety or airspace protection factors may significantly affect land uses or necessitate restrictions on those uses." Where publicly available at the time of the report, airport influence area maps from county Airport Land Use Commissions (ALUC) were reviewed. Airport influence area maps can be found within a county's Airport Land Use Comprehensive Plan, available to the public through most county planning departments. Some airports have not published influence area maps and the property may still be subject to some of the annoyances or inconveniences associated with proximity to airport operations. A property within an Airport Influence Area may be subject to annoyances and inconveniences associated with proximity to airport operations. Inclusion of private and military airports vary on maps from the ALUC vary by county and may or may not be included in this disclosure report. Questions or concerns about Airport Influence Area should be addressed to the local Airport Land Use Commission.

If the property is located within an Airport Influence Area, the following disclosure is required: This property is presently located in the vicinity of an airport, within what is known as an airport influence area. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyances, if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you.

Based on the maps reviewed, the subject property **IS NOT** located in an Airport Influence Area.

### FAA APPROVED LANDING SITES (2 MILES)

Pursuant to California Civil Code Section 1102.17, certain sellers of residential real property who have actual knowledge that the property is adjacent to, or zoned to allow, an industrial use described in Section 731(a) of the Code of Civil Procedure, or affected by a nuisance created by such a use, must give written notice of that knowledge as soon as practicable before transfer of title. Industrial uses identified in Section 731(a) include but are not limited to airport uses. Aircraft landing facilities listed herein, if any, consist of those owned by the United States Federal Government (Military aviation), public and privately owned civil and commercial aviation facilities; except private landing facilities (restricted public access), glider ports and facilities that have not been assigned a current location identifier by the Federal Aviation Administration (FAA). Airports physically located outside California were not included in this report. According to information available from the FAA, following aircraft landing facilities were reported within the estimated distance of the subject Property:

Based on the maps reviewed, the subject property **IS NOT** located within 2 miles of a FAA Approved Landing Site.

## ADDITIONAL DISCLOSURES

### COMMERCIAL/INDUSTRIAL USE ZONE (1 MILE)

Pursuant to California Civil Code Section 1102.17, certain sellers of residential real property who have actual knowledge that the property is adjacent to, or zoned to allow, an industrial use described in Section 731(a) of the Code of Civil Procedure, or affected by a nuisance created by such a use, must give written notice of that knowledge as soon as practicable before transfer of title. This report includes a search of properties zoned for commercial, manufacturing, or airport use within one mile of the subject property.

Based on the maps reviewed, the subject property **IS** located within 1 mile of a Commercial/Industrial Use Zone.

### FORMER MILITARY ORDNANCE SITE (1 MILE)

California Civil Code Section 1102.15 requires certain sellers of residential real property who have actual knowledge of any former federal or state ordnance locations within one mile of the subject property to give written notice of that knowledge as soon as practicable before transfer of title. "Former federal or state ordnance locations" means areas identified by an agency of the federal or state government as an area once used for military training purposes, which may contain potentially explosive munitions.

Based on the maps reviewed, the subject property **IS NOT** located within 1 mile of a Former Military Ordnance Site.

### CALIFORNIA LAND CONSERVATION ACT ("WILLIAMSON ACT")

The California Land Conservation Act of 1965, also known as the Williamson Act, allows for voluntary contracts between landowners and local governments that restrict parcels of land to agricultural or open space use in exchange for reduced property tax assessments. A Williamson Act contract is initially for a minimum term of ten years but local jurisdictions have the option to increase the initial term up to twenty years. Williamson Act contracts run with the land and are binding on all subsequent landowners. The contract is automatically extended by one year after the tenth and subsequent years unless a request for non-renewal is filed by either party. A request for non-renewal begins a 9 year term during which the tax assessments gradually increase to the full fair market value at which time the contract is terminated. The use of the property will then be controlled by the local jurisdiction's use and zoning laws.

Williamson Act contracts can be canceled only by the landowner's petition; however the minimum penalty for canceling a contract is 12.5 percent of the unrestricted, fair market value of the property. There are also penalties for breach of a contract, caused by the owner intentionally using the land for other than agriculture or making the land unusable for the contracted purposes. Contact the planning department to obtain information on requirements for entering into a Williamson Act contract and the uses allowed. Local government uniform rules and the specific Williamson Act contract can be more restrictive than the Williamson Act Government Code provisions. For more information contact the Department of Conservation, Division of Land Resource Protection at 916-324-0850 or visit its website <http://www.conservation.ca.gov/dlrp/lca>. The county assessor's office also maintains information on parcels affected by the Williamson Act. Los Angeles, San Francisco, Del Norte, Yuba, Inyo and Modoc Counties do not participate in the program. For more information contact: California Department of Conservation, Division of Land Resource Protection (916) 324-0850 - <http://www.conservation.ca.gov/dlrp/lca/Pages/Index.aspx>

Based on the maps reviewed, the subject property **IS NOT** located in a California Land Conservation Act ("Williamson Act").

## ADDITIONAL DISCLOSURES

### TSUNAMI INUNDATION HAZARD AREA

A tsunami is a sea wave typically generated by a submarine earthquake, but may be caused by an offshore landslide or volcanic action. A large offshore earthquake, typically a magnitude 7 or greater, may generate a tsunami. Properties located along the California coastline have a potential for inundation from a tsunami. Although early warning systems may provide sufficient warning from distant tsunamis, near-shore generated tsunamis may reach the coast in a matter of minutes. Therefore, homeowners should contact their local emergency management agency and become knowledgeable about tsunami warning signs and local evacuation plans.

Based on the maps reviewed, the subject property **IS NOT** located in a Tsunami Inundation Hazard Area.

### RIGHT TO FARM (1 MILE)

California Civil Code Section 1103.4 requires notice if a property is presently located within one mile of a parcel of real property designated as "Prime Farmland," "Farmland of Statewide Importance," "Unique Farmland," "Farmland of Local Importance," or "Crazing Land" on the most current county-level GIS "Important Farmland Map" issued by the California Department of Conservation, Division of Land Resource Protection, and if so, accompanied by the following notice:

**NOTICE OF RIGHT TO FARM.** This property is located within one mile of a farm or ranch land designated on the current county-level GIS Important Farmland Map, issued by the California Department of Conservation, Division of Land Resource Protection. Accordingly, the property may be subject to inconveniences or discomforts resulting from agricultural operations that are a normal and necessary aspect of living in a community with a strong rural character and a healthy agricultural sector. Customary agricultural practices in farm operations may include, but are not limited to noise, odors, dust, light, insects, the operation of pumps and machinery, the storage and disposal of manure, bee pollination, and the ground or aerial application of fertilizers, pesticides, and herbicides. These agricultural practices may occur at any time during the 24-hour day. Individual sensitivities to those practices can vary from person to person. You may wish to consider the impacts of such agricultural practices before you complete your purchase. Please be advised that you may be barred from obtaining legal remedies against agricultural practices conducted in a manner consistent with proper and accepted customs and standards pursuant to Section 3482.5 of the Civil Code or any pertinent local ordinance.

Based on the maps reviewed, the subject property **IS** located within 1 mile of a farm or ranch land.

### MINING OPERATIONS (1 MILE)

The California Department of Conservation, Office of Mine Reclamation, maintains a database of map coordinate data submitted annually by mine operators in the State. Section 1103.4 of the California Civil Code requires notice if a property is within one mile of a mine operation for which the mine owner or operator has reported map coordinate data to the Office of Mine Reclamation, pursuant to Section 2207 of the Public Resources Code. (Note: not all mine operators have provided map coordinate data to the Office of Mine Reclamation).

If the subject Property is within one mile of a mine, the following statement applies:

#### NOTICE OF MINING OPERATIONS:

This property is located within one mile of a mine operation for which the mine owner or operator has reported mine location data to the Department of Conservation pursuant to Section 2207 of the Public Resources Code. Accordingly, the property may be subject to inconveniences resulting from mining operations. You may wish to consider the impacts of these practices before you complete your transaction.

Based on the maps reviewed, the subject property **IS NOT** located within 1 mile of a Mining Operation.

## ADDITIONAL DISCLOSURES

### CRITICAL HABITAT AREA

The California Endangered Species Act establishes critical habitats for any species listed under the Act. A critical habitat is defined as a specific area within the geographical area occupied by the species at the time of listing, if the area contains physical or biological features essential to conservation. Pursuant to Section 2052.1 of the Fish and Game Code, if measures are required to mitigate impacts to a threatened species, those measures will be roughly proportional to the impact on those species.

HomeServicesNHD recommends the buyer contact the local planning department and the California Department of Fish & Wildlife to ascertain what, if any, considerations might be involved as a result of being in or nearby habitat sensitive areas. Additional information is available at

<https://www.wildlife.ca.gov/Conservation/CESA>

Based on the maps reviewed, the subject property **IS NOT** located in a Critical Habitat Area.

### SUSTAINABLE GROUNDWATER MANAGEMENT ACT

The Sustainable Groundwater Management Act (SGMA) is a package of three bills (AB 1739, SB 1168, and SB 1319) providing local agencies with a framework for managing groundwater basins in a manner ensuring basin resiliency and benefiting both present and future generations. The SGMA defines sustainable groundwater management as the management of groundwater supplies in a manner that can be maintained during the planning and implementation horizon (50-year time period) without causing undesirable results.

Recognizing that groundwater is most effectively managed at the local level, the SGMA empowers local agencies to achieve sustainability within 20 years. The Department of Water Resources (DWR) has identified 515 alluvial groundwater basins as the initial boundaries for groundwater management. A local agency, combination of local agencies, or county may establish a Groundwater Sustainability Agency. It is the GSA's responsibility to develop and implement a Groundwater Sustainability Plan (GSP) that considers all beneficial uses and users of groundwater in the basin. High and medium priority basins are required to develop a GSP. Low and Very Low priority basins are encouraged, but not required, to develop a GSP.

Based on the maps reviewed, the subject property **IS** located in a basin identified by the Sustainable Groundwater Management Act.

BASIN NAME: SANTA CLARA VALLEY

PRIORITY LEVEL: MEDIUM

SUBJECT TO CRITICAL CONDITIONS OF OVERDRAFT: NO

## ADDITIONAL DISCLOSURES

### SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

As of July 1, 2005, Civil Code §1103.4 mandates disclosure to buyers of certain real estate if the boundary of the property is determined to be (1) within 100 feet of the San Francisco Bay shoreline as mapped in 1997 by the National Ocean Survey (NOS), an agency of the National Oceanographic and Atmospheric Administration (NOAA); or (2) within another mapped zone established by the Bay Conservation and Development Commission (BCDC). The BCDC has regulatory jurisdiction within 100 feet inland from the point of "mean higher high water" as mapped by the NOS, and within other zones the agency has defined along the San Francisco Bay margin (BCDC Memo entitled "Guidance on Determining Commission Jurisdiction Pursuant to Senate Bill 1568").

Notice is required to prevent unknowing violations of the law by new owners who were unaware that certain activities on the real property are subject to the BCDC's permit requirements. The BCDC notes that the Bay is a highly dynamic environment and the shoreline changes over time (see Discussion below). In addition, there is inherent uncertainty in the shoreline position as mapped by the NOS or any agency. The BCDC advises the buyer and other interested parties to contact its office if a more authoritative jurisdictional determination is desired. The BCDC office is located at 50 California Street, Suite 2600, San Francisco, California 94111, and can be reached at (415) 352-3600, or by email to [info@bcdc.ca.gov](mailto:info@bcdc.ca.gov)

The BCDC has issued maps for some parts of its jurisdiction, including the San Francisco Bay Plan maps (California Code of Regulations, Title 14, Section 10121) and the Suisun Marsh Plan maps (Nejedly-Bagley-Z'berg Suisun Marsh Preservation Act of 1974). Official maps have not been issued for other parts of the BCDC jurisdiction (McAteer-Petris Act areas) because the Bay is a highly dynamic environment and the shoreline changes over time (in part because the sea level also changes over time). In those areas where official BCDC maps are not available or along the edges of the BCDC's mapped jurisdiction, to meet the disclosure requirements, this Report will indicate that the property "could be within" the BCDC's jurisdiction and that a location-specific jurisdictional determination should be made by consulting the BCDC. This determination of "could be within" the BCDC's jurisdiction was recommended by the BCDC in that certain Memo entitled "Guidance on Determining Commission Jurisdiction Pursuant to Senate Bill 1568" issued in February 2005 and posted on the BCDC website.

Based on the maps reviewed, the subject property **IS NOT** located in a San Francisco Bay Conservation and Development Commission.

## ADDITIONAL DISCLOSURES

### BAY AREA RESIDENTIAL FIREPLACE DISCLOSURE

Residential wood burning is the leading source of wintertime air pollution in the Bay Area and studies have confirmed there are significant health impacts from exposure to fine particulate matter found in wood smoke. The Bay Area Air Quality Management District ("BAAQMD") established the Wood Burning Devices (Wood Smoke Rule), Regulation 6, Rule 3 to reduce wintertime smoke pollution and protect public health. The Wood Smoke Rule requires anyone selling, renting or leasing a property in the Bay Area to disclose the potential health impacts from air pollution caused from burning wood. Fine particulate matter, also known as PM2.5, can travel deep into the respiratory system, bypass the lungs and enter the blood stream. Exposure may cause short term and long term health effects, including eye, nose and throat irritation, reduced lung function, asthma, heart attacks, chronic bronchitis, cancer and premature deaths. Exposure to fine particulates can worsen existing respiratory conditions. High PM2.5 levels are associated with increased respiratory and cardiovascular hospital admissions, emergency department visits, and even deaths. Children, the elderly and those with pre-existing respiratory or heart conditions are most at risk from negative health effects of PM2.5 exposure. The Buyer should consult with a licensed professional to inspect, properly maintain, and operate a wood burning stove or fireplace insert according to manufacturer's specifications to help reduce wood smoke pollution. The Air District encourages the use of cleaner and more efficient, non-wood burning heating options such as gas-fueled or electric fireplace inserts to help reduce emissions and exposure to fine particulates.

When the BAAQMD issues a Winter Spare the Air Alert during the winter season from November 1 through the end of February, it is illegal to burn wood, manufactured fire logs, pellets or any solid fuels in fireplaces, wood stoves or outdoor fire pits. To check when a Winter Spare the Air Alert is issued and it is illegal to burn wood, please call 1-877-4NO-BURN or visit [www.baaqmd.gov](http://www.baaqmd.gov) or [www.sparetheair.org](http://www.sparetheair.org).

## ADDITIONAL DISCLOSURES

### CITY OF SAN JOSE STREET TREE DISCLOSURE

The City of San Jose ("City") requires the seller or transferor of residential real property ("Property") in the City to disclose to the acquirer of the Property whether the Property fully complies with the City's requirements to have, maintain and if necessary, replace street trees pursuant to the San Jose Municipal Code ("SJMC"). 13.28.195 Disclosure Obligations Upon Sale or Transfer of a Residential Real Property:

- A. Not less than seven (7) business days before the sale or other transfer of residential real property concludes a selling or transferring property owner must disclose to the acquiring property owner, on a disclosure form provided by the City, whether the residential real property to be sold or transferred fully complies with the City's street tree maintenance and replacement requirements of Sections 13.28.130B and 13.28.190.
- B. If the selling or transferring property owner cannot determine whether street trees located on the residential property are substantially in compliance with the approved development permits for the property, or the property's approved development permits are inclusive as to the requirements for the presence and location of street trees on the property, then the following requirements for the planting and presence of street trees shall apply:
  1. The property must have one (1) street tree for any adjacent street if it is an interior lot and at least three (3) street trees if it is a corner lot, unless otherwise modified by the Director in the interest of public safety.
  2. If the current General Plan requirements for street trees on the property differ from the requirements specified in Subsection B.1, then the current General Plan requirements shall govern the number and location of street trees required on the property at the time of sale or transfer. If the property meets the General Plan requirement, then the selling property owner must indicate such compliance with the General Plan on the disclosure to the acquiring property owner.
  3. All street trees shall be planted in accordance with the requirements of Section 13.28.070.
- C. Upon a written request, the Director may grant the selling or transferring property owner an exemption in writing from the requirements of this Section if the Director determines in the interest of public safety that planting and maintaining street trees on the residential property at the time of sale or transfer is not appropriate. Such an exemption does not run with the land and shall not allow any deviations from the disclosure requirements upon residential real property sales or transfers for future sellers or transferors.

To the best of my/our knowledge but without any investigation, I/We, \_\_\_\_\_, disclose that the street tree(s) on the Property to be sold or transferred and located at the address listed below in San Jose, CA are in the following condition:  
(Check one)

- ☐ The property fully complies with the street tree requirements outlined in the SJMC
- ☐ The property does not have the required number of street trees as required by the SJMC.
- ☐ The property has the required number of street trees but the street trees have not been maintained as required by the SJMC.
- ☐ Seller/Transferor is unaware if the requirements to have and maintain street trees on the Property have been met.

Property Address: NO SITE ADDRESS, SAN JOSE, CA, 95120

Seller(s): \_\_\_\_\_ Date: \_\_\_\_\_

Seller(s): \_\_\_\_\_ Date: \_\_\_\_\_

The undersigned hereby acknowledges receipt of a copy of this document.

Buyer(s): \_\_\_\_\_ Date: \_\_\_\_\_

Buyer(s): \_\_\_\_\_ Date: \_\_\_\_\_

## ADDITIONAL DISCLOSURES

### GOVERNMENT BOOKLETS

Government agencies have provided booklets for the education of homeowners containing important information about Mold, Home Energy Conservation, Earthquake Safety, Lead in the Home, and other hazards. Additional copies of these booklets in English and Spanish can be found on our website at <https://www.homeservicesnhd.com/resources>.

### RESIDENTIAL GOVERNMENT BOOKLETS

A Brief Guide to Mold, Moisture, and Your Home  
<https://www.homeservicesnhd.com/resources/mold.pdf>

What is Your Home Energy Rating?  
<https://www.homeservicesnhd.com/resources/energyrating.pdf>

Homeowner's Guide to Earthquake Safety  
<https://www.homeservicesnhd.com/resources/earthquakesafety.pdf>

Protect Your Family From Lead in Your Home  
<https://www.homeservicesnhd.com/resources/lead.pdf>

Residential Environmental Hazards: A Guide for Homeowners, Homebuyers, Landlords, and Tenants  
<https://www.homeservicesnhd.com/resources/environmentalhazards.pdf>

### COMMERCIAL GOVERNMENT BOOKLETS

Mold Remediation in Schools and Commercial Buildings  
<https://www.homeservicesnhd.com/resources/moldremediation.pdf>

Commercial Property Owner's Guide to Earthquake Safety  
<https://www.homeservicesnhd.com/resources/commercialearthquakesafety.pdf>

## CITY/COUNTY DISCLOSURES

Although not required by the Natural Hazard Disclosure Act (California Civil Code sections 1103-1103.14), HomeServicesNHD has provided the following information which is in addition to and intended to supplement the information disclosed by the Natural Hazard Disclosure Statement. In some cases, local agencies may apply more restrictive criteria in determining hazard zones than required by state law. If the subject property is located within one of the following hazard zones, the buyer is advised contact the appropriate City or County Planning Department regarding any possible building restrictions.

### COUNTY EARTHQUAKE FAULT ZONE

Local jurisdictions often have higher standards than the State of California for the identifying earthquake faults. Those jurisdictions manage their own maps which indicate whether active or potentially active faults exist according to those standards. Additionally, many local jurisdictions require geologic studies before any significant development or construction and may restrict certain types of development and/or construction.

Based on the maps reviewed, the subject property **IS NOT** located within a County Earthquake Fault Zone.

### COUNTY LANDSLIDE SEISMIC HAZARD ZONE

Landslide Seismic Hazard Zones are regulatory zones that encompass areas prone to earthquake-induced landslides. If a property is identified as part of a Landslide Seismic Hazard Zone, it means the county has determined that there is likely weak soil and/or rock present and that these materials can fail during earthquake events unless proper precautions are taken during grading and construction of structures. Within Landslide Seismic Hazard Zones, undeveloped properties are required to obtain a site-specific investigation by a license engineering geologist and/or civil engineer before the property can be subdivided or before most structures can be permitted.

Based on the maps reviewed, the subject property **IS NOT** located within a County Landslide Seismic Hazard Zone.

### COUNTY LIQUEFACTION SEISMIC HAZARD ZONE

Liquefaction Seismic Hazard Zones are regulatory zones that encompass areas prone to liquefaction or the failure of water-saturated soil. If a property is identified as part of a Liquefaction Seismic Hazard Zone, it means the county has determined that there is likely weak soil and/or rock present and that these materials can fail during earthquake events unless proper precautions are taken during grading and construction of structures. Within Liquefaction Seismic Hazard Zones, undeveloped properties are required to obtain a site-specific investigation by a licensed engineering geologist and/or civil engineer before the property can be subdivided or before most structures can be permitted.

Based on the maps reviewed, the subject property **IS NOT** located within a County Liquefaction Seismic Hazard Zone.

## CITY/COUNTY DISCLOSURES

### COUNTY COMPRESSIBLE SOIL HAZARD ZONE

Compressible Soil Hazard Zones are regulatory zones that encompass areas where soft sediments may consolidate during a strong earthquake. If a property is identified as part of a Compressible Soil Hazard Zones, it means the county has determined that there is likely weak soil and/or rock present and that these materials can fail during earthquake events unless proper precautions are taken during grading and construction of structures. Additionally, many local jurisdictions require site-specific geologic studies before any significant development or construction and may restrict certain types of development and/or construction if the property is located within a Compressible Soil Hazard Zone.

Based on the maps reviewed, the subject property **IS NOT** located within a County Compressible Soil Hazard Zone.

### COUNTY DIKE FAILURE HAZARD ZONE

County Dike Failure maps include possible flooding information in addition to, or different from, the areas mapped on Flood Insurance Rate Maps by the Federal Emergency Management Agency or Dam Inundation zones as reported by the California State Office of Emergency Services. If a property is identified as part of a Dike Failure Hazard Zone, the property is located in an area where flooding may occur if dikes failed. If a portion or all of the property is located within one of these hazard areas, lending institutions may require flood insurance.

Based on the maps reviewed, the subject property **IS NOT** located within a County Dike Failure Hazard Zone.

## TAX INFORMATION

### TRANSFER FEE NOTICE

This is commonly known as a "Private Transfer Tax." It is a fee imposed by a private entity such as a property developer, home builder, or home owner association, when a property within a certain type of subdivision is sold or transferred. A private transfer fee may also be imposed by an individual property owner. Private transfer fees are different from city or county Documentary Transfer Taxes. Private Transfer Fees may apply in addition to government Documentary Transfer Taxes that are due upon sale or transfer of the property.

California Civil Code Section 1098 defines a "transfer fee" as "any fee payment requirement imposed within a covenant, restriction, or condition contained in any deed, contract, security instrument, or other document affecting the transfer or sale of, or any interest in, real property that requires a fee be paid as a result of transfer of the real property." Certain existing fees such as government fees, court ordered fees, mechanic lien fees, common interest development fees, etc. are specially excluded from the definition of "transfer fee."

To determine if the property is subject to a Transfer Fee, OBTAIN COPIES OF ALL EXCEPTIONS LISTED ON THE PRELIMINARY TITLE REPORT FROM THE TITLE COMPANY AND READ THEM TO DETERMINE IF ANY TRANSFER FEES ARE APPLICABLE. Please be aware that private transfer fees may be difficult to identify by simply reading the title report.

Civil Code Section 1102.6(e) requires the transferor to notify the transferee of whether a private transfer fee applies and if present, to disclose certain specific information about the fee.

**Content of Disclosure.** Civil Code Section 1102.6(e) requires the transferor to disclose specific information about any Transfer Fee that may affect the property. Please refer to the legal code or to the C.A.R. Form NTF (11/07), provided by the California Association of Realtors, for a standard format to use in making the Transfer Fee Disclosure if you elect to investigate and make this disclosure personally.

**How to Determine the Existence of a Transfer Fee.** If a Transfer Fee does exist affecting the property, the document creating the fee may be on file with the County Recorder as a notice recorded against the property and should be disclosed in the preliminary title report on the property. However, the preliminary title report will merely disclose the existence of the documents affecting title, not the content of the documents. The title of a document may also not be sufficient to disclose that a transfer fee is included in its terms. Accordingly transferor should (a) request the title company which issued the preliminary title report to provide copies of the documents shown as "exceptions" and (b) review each document to determine if it contains a transfer fee.

### NOTICE OF SUPPLEMENTAL PROPERTY TAX BILL

California Civil Code 1102.6c, states that the seller, or his or her agent, is responsible for delivering notice specifying information about supplemental tax assessments, as follows:

California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes. The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector. If you have any question concerning this matter, please call your local Tax Collector's Office.

## TAX INFORMATION

### PROPERTY ASSESSED CLEAN ENERGY (PACE) ASSESSMENT

Property Assessed Clean Energy (PACE) Assessments are contractual assessment liens against the property for financing energy efficiency and renewable energy improvements on private property; both residential and commercial. Typical repayment times PACE loans are between 10 and 20 years, though some could be longer, but vary depending on the contract.

PACE assessments are a debt of property, meaning the debt is tied to the property as opposed to the owner of the property. Therefore, the repayment obligation may transfer with property ownership if the new owner and any first mortgage holder agree to assume the obligation. Fannie Mae and Freddie Mac will not purchase mortgage loans secured by properties with an outstanding PACE loan unless the terms of the PACE loan program do not provide for lien priority over the first mortgage liens. Therefore, some lending institutions may require that any PACE assessments be paid off before lending money in a real estate transaction.

This report discloses any PACE assessments that are included on the most recent property tax roll published by the county. Read the preliminary title report for more recent information on liens on the property.

THE SUBJECT PROPERTY **IS NOT** CURRENTLY SUBJECT TO PROPERTY ASSESSED CLEAN ENERGY ASSESSMENT(S).

## TAX INFORMATION

### 1915 BOND ACT ASSESSMENT DISTRICT

Improvement Bond Act of 1915 Assessments Districts, also known as the 1915 Act bond, help to finance certain public capital improvements and infrastructure like streets, curbs, gutters, and underground sewer and water infrastructure. The money required to fund the improvements is obtained in advance through the issuance of municipal bonds. A special assessment lien is placed on the property within the Assessment District. The lien amount is calculated according to the specific benefit that an individual property receives from the improvement(s) and is amortized over a period of years and can be prepaid at any time. In most instances but not all, the assessment is placed on the secured tax roll and is collected with your annual county real property taxes.

If this property is subject to the Improvement Bond Act of 1915 Lien Assessment(s) listed below, the lien(s) will be repaid from annual assessment installments levied by the assessment district that will appear on the property tax bill, but which are in addition to the regular property taxes and any other charges and levies that will be listed on the property tax bills. Each assessment district has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within that assessment district.

THE SUBJECT PROPERTY **IS NOT** CURRENTLY SUBJECT TO IMPROVEMENT BOND ACT OF 1915 LIEN ASSESSMENT(S).

## TAX INFORMATION

### MELLO-ROOS COMMUNITY FACILITIES DISTRICT

Community Facilities Districts (CFD), also known as Mello-Roos Districts, are special districts established by local agencies as a means to finance certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. A special tax lien is placed on each property within the district for the annual payment of principal and interest as well as administrative expenses. The annual special tax continues until the bond is paid, or until revenues are no longer needed. Mello-Roos tax amounts may vary, and in some cases increase, or the term of the payments may be extended, especially if additional bonds are issued. These special taxes are usually collected with regular property tax installments.

If this property is subject to the Mello-Roos CFD(s) lien(s) listed below, it is subject to a special tax that will appear on your property tax bill that is in addition to the regular property taxes and any other charges and benefit assessments on the property. If you fail to pay this tax when due each year, the property may be foreclosed upon and sold. There is a maximum special tax that may be levied against this parcel each year to pay for public facilities. This amount may be subject to increase each year based on the special tax escalator listed below (if applicable). The annual tax charged in any given year may not exceed the maximum tax amount. However, the maximum tax may increase if the property use changes, or if the home or structure size is enlarged. The special tax will be levied each year until all of the authorized facilities are built and all special tax bonds are repaid. If additional bonds are issued, the estimated end date of the special tax may be extended.

THE SUBJECT PROPERTY **IS NOT** CURRENTLY SUBJECT TO MELLO-ROOS COMMUNITY FACILITIES SPECIAL TAX LIEN(S):

## TAX INFORMATION

### PROPERTY TAX BILL BREAKDOWN

Santa Clara County does not have a property tax bill for this property or this property is tax exempt.

## NOTICES & ADVISORIES

These notices are not substitutes for seller's disclosure obligations pursuant to state law. Please see Real Estate Transfer Disclosure Statement for more information.

### TOXIC MOLD ADDENDUM

California law (California Civil Code Section 1102.6 et seq.) requires any seller, transferor, or lessor of residential, commercial or industrial property; or public entity that owns, leases, or operates a building provide a written disclosure to prospective purchasers, prospective tenants, renters, or occupants if the seller, transferor, lessor, or public entity has knowledge of mold conditions or in specified instances has reasonable cause to believe, that mold (visible or hidden) that exceeds permissible exposure limits is present that affects the unit, or building. The State Department of Health Services is designated as the lead agency for identifying, adopting, and determining permissible exposure limits to mold in indoor environments, mold identification and remediation efforts.

### METHAMPHETAMINE CONTAMINATED PROPERTY DISCLOSURE

California law (Health and Safety Code Section 25400.28) requires property owners to notify prospective buyers in writing of any pending order that would prevent the use or occupancy of a property because of methamphetamine laboratory activity, and to provide the prospective buyer with a copy of the pending order. Receipt of a copy of the pending order shall be acknowledged in writing by the prospective buyer. The "Methamphetamine Contaminated Property Cleanup Act of 2005," chapter 6.9.1 specifies human occupancy standards for property that is subject to the act. These standards will be replaced by any that are devised by the Department of Toxic Substance Control, in consultation with the Office of Environmental Substance Control. In addition, this act outlines procedures for local authorities in dealing with methamphetamine contaminated properties, including the use of a property lien. This disclosure is meant to inform prospective buyers of the California disclosure law regarding methamphetamine lab activity, and does not indicate or imply that a particular property is or has been contaminated according to law.

### NOTICE OF DATABASE DISCLOSURE – MEGAN'S LAW

Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

### WATER-CONSERVING PLUMBING FIXTURES

Pursuant to California Civil Code 1101.4, all residences built on or before January 1, 1994, are to be equipped with water-conserving plumbing fixtures after January 1, 2017.

Pursuant to California Civil Code 1101.5, all multifamily and commercial properties built on or before January 1, 1994, are to be equipped with water-conserving plumbing fixtures after January 1, 2019. Any multifamily or commercial property altered or improved to increase the floor area by 10%, or is more than \$150,000, requires water-conserving plumbing fixtures.

These regulations do not apply to registered historical sites, properties where a licensed plumber has determined that water conserving plumbing fixtures are not feasible for the property, or for a building that is permanently disconnected from water service.

The installation of water-conserving plumbing fixtures is not a point-of-sale requirement. Seller's are required to disclose to the buyer the requirements concerning water-conserving plumbing fixtures and whether or not the property contains any non-compliant water fixtures.

Non-compliant water fixtures include: any toilet manufactured to use more than 1.6 gallons of water per flush, any urinal manufactured to use one than 1 gallon of water per flush, any showerhead manufactured with a flow capacity greater than 2.5 gallons of water per minute, or any interior faucet with a flow capacity greater than 2.2 gallons of water per minute.

## NOTICES & ADVISORIES

### **GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES NOTICE**

This notice is being provided to simply inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <https://www.npms.phmsa.dot.gov>. To seek further information about possible transmission pipelines near the property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.

### **FEDERAL FLOOD INSURANCE NOTICE**

Floods can have a devastating effect on communities, causing loss of life, property damage, and loss of income, and can have an adverse effect on government functioning. As such, the federal government has designed measures that are intended to aid disaster assistance by encouraging insurance coverage for those properties in flood disaster areas. To that end, in addition to the flood disclosure in the Natural Hazard Disclosure Statement, Federal law (U.S. Code Title 42, Chapter 68, subchapter III, § 5154a(b)(1)) requires a seller, no later than the date on which a property is to be transferred, to notify a buyer of the requirement to purchase and maintain flood insurance, if disaster relief assistance (including a loan assistance payment) has been previously provided on that property and such assistance was conditioned on obtaining flood insurance according to Federal law. If a buyer fails to obtain and maintain flood insurance on a property disclosed to have been in a previous federal disaster area and that received disaster relief assistance, then no Federal disaster relief assistance will be made available should that property subsequently be in a flood disaster area. State law also prohibits "state disaster assistance from being provided to a person required to maintain flood insurance by state or federal law, who has canceled or failed to maintain that coverage."

Your mortgage lender may require you to purchase flood insurance in connection with your purchase of this property. The National Flood Insurance Program provides for the availability of flood insurance and establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Recent changes to federal law (The Biggert-Waters Flood Insurance Reform Act of 2012 and the Homeowner Flood Insurance Affordability Act of 2014, in particular) will result in changes to flood insurance premiums that are likely to be higher, and in the future may be substantially higher, than premiums paid for flood insurance prior to or at the time of sale of the property. As a result, purchasers of property should not rely on the premiums paid for flood insurance on this property previously as an indication of the premiums that will apply after completion of the purchase. In considering purchase of this property you should consult with one or more carriers of flood insurance for a better understanding of flood insurance coverage, current and anticipated future flood insurance premiums, whether the prior owner's policy may be assumed by a subsequent purchaser of the property, and other matters related to the purchase of flood insurance for the property. You may also wish to contact the Federal Emergency Management Agency (FEMA) for more information about flood insurance as it relates to this property. The information contained here is not intended to indicate whether a property has been in a Federal disaster area and has received Federal disaster relief assistance, but merely to indicate an additional flood insurance disclosure requirement related to future disaster relief assistance availability.

### **WOOD BURNING HEATER ADVISORY**

The Clean Air Act defines the EPA's responsibilities for protecting and improving the nation's air quality and the stratospheric ozone layer. The EPA has developed ambient air quality trends for particle pollution, also called Particulate Matter (PM). Under the Clean Air Act, EPA sets and reviews national air quality standards for Particulate Matter (PM). Air quality monitors measure concentrations of PM throughout the country. EPA, state, tribal and local agencies use that data to ensure that PM in the air is at levels which protect public health and the environment. Approximately 10 million wood stoves are currently in use in the United States, and 70 to 80 percent of them are older, inefficient, conventional stoves that emit PM. The Great American Woodstove Changeout is a voluntary program administered by the EPA designed to reduce particle pollution from woodstoves by encouraging people to replace older, more polluting stoves with EPA-certified stoves and fireplace inserts. It also provides information on building more efficient, less polluting fires. Certain jurisdictions have established legal requirements to reduce wood smoke. For example, some communities have restrictions on installing wood-burning appliances in new construction. For more information on possible regulations in your area go to <http://www.epa.gov/burnwise/ordinances.html>.

## NOTICES & ADVISORIES

### ABANDONED MINES ADVISORY

According to the Abandoned Mine Lands Unit of the State of California Department of Conservation, there are more than 165,000 mine features on more than 47,000 abandoned mine sites in the State of California. Mines can present serious physical safety hazards such as open shafts and tunnels, and they may create the potential to contaminate surface water, groundwater, or even air quality. Approximately 84 percent of those sites contain physical safety hazards. The public is warned against entering any open shafts or mine openings.

Some abandoned mines are such massive problems and have earned a spot on the Federal Superfund Environmental Hazards List. No California Law requires the disclosure of abandoned mines in a real estate transaction, unless the existence of an abandoned mine is within the actual knowledge of the seller and is deemed to be a fact material to the transaction. For more information please visit the Abandoned Mine Lands Unit website: [http://www.conservation.ca.gov/omr/abandoned\\_mine\\_land/Pages/Index.aspx](http://www.conservation.ca.gov/omr/abandoned_mine_land/Pages/Index.aspx).

### ABANDONED WELLS ADVISORY

According to the California Department of Water Resources, an abandoned or "permanently inactive well" is a well that has not been used for a period of one year. Abandoned wells that are not properly sealed are a potential hazard to people and animals and may be a potential site of illegal waste disposal. Abandoned wells may allow contamination of groundwater. Abandoned wells should be destroyed in accordance with methods developed by the Department of Water Resources pursuant to Section 13800 of the Water Code.

### OIL AND GAS WELL ADVISORY

California is ranked fourth in the nation among oil producing states. Surface oil production is concentrated mainly in Southern California, and in districts elsewhere in the State. However, because the California's oil production has been in decline since the 1980's, thousands of oil and gas wells have been shut down or abandoned, and many of those wells are in areas where residential neighborhoods now exist. Buyer should be aware that the Department of Conservation database lists oil and gas wells in any county, and those may include abandoned wells. Health and safety hazards may be associated with oil and gas wells, whether abandoned, capped or active, but not limited to, soil and groundwater contamination, oil and methane seeps, fire hazards, air quality problems, and physical safety hazards to humans and animals. For general information, visit the California Department of Conservation, Division of Oil, Gas and Geothermal Resources at: <http://www.conservation.ca.gov/dog/Pages/Index.aspx>.

### RADON GAS ADVISORY

Radon is a gas that is produced from the radioactive decay of uranium and thorium found in certain rock and soil types. Radon, an odorless and colorless gas, can move from the soil into buildings. Exposure to concentrated levels of radon can increase a person's risk of developing lung cancer. The Highest Radon Potential, Zone 1, is set at 4.0pCi/l and above by the U.S. Environmental Protection Agency (EPA). The EPA recommends indoor radon testing for all homes and recommends radon reduction measures for homes with radon levels of 4.0pCi/l and above. Radon testing kits can be purchased by homeowners or homeowners can hire contractors to provide the testing. For more information, visit the California Department of Public Health at <https://www.cdph.ca.gov/Programs/CEH/DRSEM/Pages/EMB/Radon/Radon.aspx>.

### CALIFORNIA'S 2016 ENERGY EFFICIENCY STANDARDS ADVISORY

The California Energy Commission adopted Title 24, Building Energy Efficiency Standards for 2016. Under these standards, local governments must adopt and enforce building codes that require certain energy efficient features in residential buildings including but not limited to high-performance insulation within walls and attics, high-efficacy luminaires, and reduction of duct leakage. For more information, visit the California Energy Commission at <http://www.energy.ca.gov/2015publications/CEC-400-2015-032/CEC-400-2015-032-CMF.pdf>.

## NOTICES & ADVISORIES

### HOME ENERGY EFFICIENCY IMPROVEMENTS TAX CREDIT ADVISORY

According to the DOE, the higher replacement cost of SEER 13-compliant air conditioning system will be offset by a savings of up to 23 percent in monthly energy costs. The California Energy Commission notes that leaking ductwork accounts for up to 25 percent of the heating costs of a typical home. Therefore, compliance with the new Federal and State standards offers substantial benefits to the property owner, as well as significant environmental benefits through decreased energy consumption, compared with older systems. In addition, consumers who purchase and install specific products, such as energy efficient windows, insulation, doors, roofs, and heating and cooling equipment in the home can receive a tax credit of up to \$500 beginning January 2006. For more information visit

<http://www.energy.gov/taxbreaks.htm>.

### DUCT SEALING AND TESTING REQUIREMENT ADVISORY

The Energy Policy and Conservation Act directs the Department of Energy (DOE) to establish minimum efficiency standards for various products, including central air conditioners and heat pumps. The DOE has amended the energy conservation standards for residential central air conditioners and heat pumps manufactured for sale in the United States. As of January 23, 2006, these products are required to be manufactured with an energy rating of 13 SEER (SEER, Seasonal Energy Efficiency Ratio, is the measurement of energy efficiency for the cooling performance of central air conditioners and heat pumps). This amended SEER rating is 30 percent more efficient than 10 SEER, the previous standard. This new standard applies to split system air conditioners and heat pumps and small duct, high velocity systems manufactured after January 23, 2006. Products manufactured prior to this date with a SEER rating of less than 13 may still be sold and installed. Homeowners are not required to replace or upgrade existing central air conditioning units or heat pumps to comply with the new standards. Additional information may be found at:

[http://www.eere.energy.gov/buildings/appliance\\_standards/residential/central\\_ac\\_hp.html](http://www.eere.energy.gov/buildings/appliance_standards/residential/central_ac_hp.html) or at [www.cheers.org](http://www.cheers.org).

As of October 1, 2005, home's ducts tested for leaks when the central air conditioner or furnace is installed or replaced. Ducts that leak 15 percent or more must be repaired to reduce the leaks. After your contractor tests and fixes the ducts, you choose whether to have an approved third-party field verifier check to make sure the duct testing and sealing was done properly or to have your house included in a random sample where one in seven duct systems are checked. Duct sealing is not required in the following situations: 1) when homes are in specific coastal climates; 2) when systems have less than 40 feet of ductwork in unconditioned spaces like attics, garages, crawlspaces, basements or outside the building, or 3) when ducts are constructed, insulated or sealed with asbestos. There also are specific alternatives that allow high efficiency equipment and added duct insulation to be installed instead of fixing duct leaks. You also should know that any contractor failing to obtain a required building permit and failing to test and repair your ducts is violating the law and exposing you to additional costs and liability. Real estate law requires you to disclose to potential buyers and appraisers whether or not you obtained required permits for work done on your house. If you do not obtain a permit, you may be required to bring your home into compliance with code requirements for that work and you may have to pay penalty permit fees and fines prior to selling your home. According to the California Energy Commission, these duct sealing requirements apply when the following are replaced: the air handler, the outdoor condensing unit of a split system air conditioner or heat pump, the cooling or heating coil, or the furnace heat exchanger. More information may be found at <http://www.energy.ca.gov/title24/changeout>.

## NOTICES & ADVISORIES

### ENDANGERED SPECIES ACT ADVISORY

The Federal Endangered Species Act of 1973 (ESA), as amended, requires that plant and animal species identified and classified ("listed") by the Federal government as "threatened" or "endangered" be protected under U.S. law. Areas of habitat considered essential to the conservation of a listed species may be designated as "critical habitat" and may require special management considerations or protection. All threatened and endangered species -- even if critical habitat is not designated for them -- are equally afforded the full range of protections available under the ESA.

An awareness of threatened and endangered species and/or critical habitats is not reasonably expected to be within the actual knowledge of a seller. No federal or state law or regulation requires a seller or seller's agent to disclose threatened or endangered species or critical habitats, or to otherwise investigate their possible existence on real property. Therefore, buyer is advised that, prior to purchasing a vacant land parcel or other real property, buyer should consider investigating the existence of threatened or endangered species, or designated critical habitats, on or in the vicinity of the Property which could affect the use of the Property or the success of any proposed (re)development. For additional information, please visit the U.S. Fish & Wildlife Service at: <http://www.fws.gov>.

### NATURALLY OCCURRING ASBESTOS ADVISORY

Asbestos is the common name for a group of silicate minerals that are made of thin, strong fibers. It occurs naturally in certain geologic settings in California, most commonly in ultrabasic and ultramafic rock, including serpentine rock. These rocks are commonly found in the Sierra Foothills, the Klamath Mountains, Coast Ranges, and along some faults. While asbestos is more likely found in these rock formations, its presence is not certain. Because asbestos is a mineral, asbestos fibers are generally stable in the natural environment. The fibers will not evaporate into the air. Some naturally occurring asbestos can become friable, or crushed into a powder. This may occur when vehicles drive over unpaved roads or driveways that are surfaced with ultrabasic, ultramafic or serpentine rock, when land is graded for building purposes, or at quarrying operations. Weathering and erosion may also naturally release asbestos. Friable asbestos can become suspended in the air, and under these conditions, asbestos fibers represent a significant risk to human health. Asbestos is a known carcinogen, and inhalation of asbestos may result in the development of lung cancer. HomeServicesNHD recommends that the transferee visit the California Department of Conservation, Division of Mines and Geology website for further information and maps at [http://www.consrv.ca.gov/CGS/minerals/hazardous\\_minerals/asbestos/Pages/Index.aspx](http://www.consrv.ca.gov/CGS/minerals/hazardous_minerals/asbestos/Pages/Index.aspx).

### SOLAR ENERGY SYSTEMS NOTICE

On and after January 1, 2018 the seller or transfer of residential real property within a common interest development shall disclose to the perspective buyer(s) or transferee the existence of any solar energy system owned by the seller and the related responsibilities of the owner according to California Civil Code Section 4746.

The owner and each successive owner of the solar energy system is required to maintain a homeowner liability coverage policy at all times and to provide the homeowner's association with the corresponding certificate of insurance within 14 days of approval of the application and annually thereafter.

The owner and each successive owner of the solar energy system is responsible for the cost of damage to the common area, exclusive use common area, or separate interests resulting from the installation, maintenance, repair, removal, or replacement of the solar energy system.

Further, the owner and each successive owner of the solar energy system is responsible for the cost of maintenance, repair, and replacement of the solar energy system until it has been removed and for the restoration of the common area, exclusive use common area, or separate interests after removal. The new owner will be responsible for the same disclosures mentioned above to subsequent buyers.

## ENVIRONMENTAL DISCLOSURES

This report identifies known hazardous waste/contaminated sites, solid waste landfills, and leaking underground fuel tanks in proximity to the subject site. The databases used were obtained from selected government agencies in charge of collecting and keeping such records. This report is NOT a Phase I Environmental Site Assessment. For the purposes of this report, only known contaminated sites, solid waste landfills, and leaking underground storage tanks are reported from selected government databases.

### TOXIC RELEASE INVENTORY SITE (TRIS) (1 MILE)

According to the United States Environmental Protection Agency (EPA), the Toxics Release Inventory (TRI) Program is intended to provide the public with information about TRI chemicals, including releases, waste management and pollution prevention from TRI-reporting facilities. TRI tracks the management of certain toxic chemicals that may pose a threat to human health and the environment. U.S. facilities in different industry sectors must report annually how much of a chemical is released to the environment and/or managed through recycle, energy recovery and treatment. More information about TRI data can be found here: <https://www.epa.gov/toxics-release-inventory-tri-program/tri-data-and-tools>.

Based on the maps reviewed, the subject property **IS NOT** located within 1 Mile of a Known Toxic Release Inventory Site (TRIS)

## ENVIRONMENTAL DISCLOSURES

### ENVIROSTOR FACILITY OR SITE (1 MILE)

According to the Department of Toxic Substance Control (DTSC), EnviroStor is the department's data management system for tracking the cleanup, permitting, enforcement, and investigation activities at hazardous waste facilities, sites with known contaminants, or sites where there may be reasons to investigate further. The EnviroStor database can be accessed through the DTSC website at:

<http://www.envirostor.dtsc.ca.gov>.

Based on the maps reviewed, the subject property **IS** located within 1 Mile of a Known EnviroStor Facility

### FACILITIES AND SITES

PROJECT NAME: IBM ALMADEN RESEARCH CTR

ADDRESS: 650 HARRY RD, SAN JOSE, CA 951206001

DISTANCE FROM PROPERTY: 0.28 miles

## ENVIRONMENTAL DISCLOSURES

### LEAKING UNDERGROUND STORAGE TANKS [LUST] (1/4 MILE)

The California Environmental Protection Agency's State Water Resources Control Board administers the Underground Storage Tank (UST) Program. A UST is defined as any tank or combination of tanks, that is used for the storage of hazardous materials and that is stored partially or totally beneath the ground. "Geotracker" is the State's database system used by State and regional boards, and local agencies to track and archive data from released of hazardous materials from USTs. The Geotracker database can be found here:

<http://geotracker.waterboards.ca.gov/>

Based on the maps reviewed, the subject property **IS** located within 1/4 Mile of a Known Leaking Underground Storage Tank

#### SITE(S)

TYPE: LUST CLEANUP SITE

CASE NO: T0608502066

ADDRESS: 19450 ALMADEN RD, SAN JOSE, CA

DISTANCE FROM PROPERTY: 0.12 miles

STATUS: COMPLETED - CASE CLOSED

## ENVIRONMENTAL DISCLOSURES

### NATIONAL PRIORITY LIST [SUPERFUND SITES] (1 MILE)

The United States Environmental Protection Agency (EPA) maintains a list of national priorities, sometimes referred to as Superfund sites, among the known releases or threatened releases of hazardous substances, pollutants, or contaminants throughout the United States and its territories. This list is known as the National Priorities List (NPL). According to the EPA, the NPL is intended to primarily guide the EPA in determining which sites warrant further investigation. Inclusion of a site on the NPL does not in itself reflect a judgment of the activities of its owner or operator, does not require those persons to undertake any action, or assign liability to any person. More information regarding the NPL can be found here:

<https://www.epa.gov/superfund/superfund-national-priorities-list-npl>

Based on the maps reviewed, the subject property **IS NOT** located within 1 Mile of a Known National Priority List Site (Superfund Site)

## ENVIRONMENTAL DISCLOSURES

### RESOURCE CONSERVATION AND RECOVERY ACT [RCRA] (1 MILE)

According to the United States Environmental Protection Agency (EPA), the Resource Conservation and Recovery Act (RCRA) is the law that creates the framework for the proper management of hazardous and non-hazardous solid waste. Hazardous waste information is contained in the RCRAInfo, a national program management and inventory system about hazardous waste handlers. The RCRAInfo database can be used to identify and locate data for specific handlers and to find a wide range of information on treatment, storage and disposal facilities regarding permit/closure status, compliance with Federal and State regulations and cleanup activities. The RCRAInfo database can be found here:

<https://www3.epa.gov/enviro/facts/rcrainfo/search.html>

Based on the maps reviewed, the subject property **IS** located within 1 Mile of a Known Resource Conservation and Recovery Act Site (RCRA)

#### SITE(S)

SITE NAME: ALMADEN FEED

ADDRESS: 19450 ALMADEN RD, SAN JOSE, CA

DISTANCE FROM PROPERTY: 0.09 miles

SITE NAME: IBM RESEARCH DIV ALMADEN RESEARCH

ADDRESS: 650 HARRY ROAD, SAN JOSE, CA

DISTANCE FROM PROPERTY: 0.26 miles

SITE NAME: IBM CORP RESEARCH FACILITIES

ADDRESS: 650 HARRY RD K 77802, SAN JOSE, CA

DISTANCE FROM PROPERTY: 0.28 miles

SITE NAME: ZAMZOW PROPERTY

ADDRESS: 18966 ALMADEN ROAD, SAN JOSE, CA

DISTANCE FROM PROPERTY: 0.41 miles

SITE NAME: CITY OF SAN JOSE FIRE STATION 28

ADDRESS: 19911 MCKEAN RD, SAN JOSE, CA

DISTANCE FROM PROPERTY: 0.51 miles