

CANNABIS PERMIT APPLICATION

1a. Address of Proposed Cannabis Operation:

_____3838 GRAND AVE. _____

1b. Are you within 300' of a residential zone?¹ Yes No

Not yet secured a location

Applicants who have not yet secured a location may submit an application and be conditionally approved, however, in order to obtain a permit, Applicants will eventually have to identify their business location so that it can be reviewed and inspected.

1c. Did work/live or residential use exist on March 6, 2018 in the portion of the property where applicant proposes to conduct commercial cannabis activity? *

Yes No

**On March 20, 2018 the Oakland City Council amended the City's cannabis ordinances, OMC 5.80 and 5.81, to prohibit the issuance of a cannabis permit or local authorization to a cannabis applicant at premises where either work/live or residential use existed as of March 6, 2018.*

2. Right to Occupy Proposed Cannabis Location:

Owner Tenant Intend to Lease/Purchase Not yet secured a location

Please provide a copy of the supporting documents:

Deed Lease Agreement Letter of intent to lease/purchase property

If applicant is not the owner, please provide the following information for the property owner:

Last Name:	First Name:	Middle Initial:
Phone:	Email:	
Residential Address:		
City:	State:	Zip:

¹ On October 2, 2018, the City Council passed amendments to the City's cannabis permit ordinance. These amendments include a public notice and community meeting requirement for all applications submitted after October 2nd that identify an address that is within 300 feet of a residential zone. The intent behind the requirement is to provide an opportunity for operators to present their proposed use to nearby residents and hear what concerns or suggestions neighbors have regarding the business at a community meeting.

3. Applicant Information:

a. Name: Ohana Growers

b. Type of Corporate Structure:

Corporation Limited Liability Company Partnership Individual

Collective Other: _____

c. Doing Business As: _____

d. Please Attach a Copy of State registration

e. Partner/Owner/Manager Information:

Please list all persons directly or indirectly interested in the permit sought, including all officers, directors, general partners, managing members, stockholders, and partners. Please attach additional pages if necessary (additional pages should be on 8½ x 11” paper; single sided, and include a Header with the applicant’s name on the top right corner of each page).

Last Name: Azimi	First Name: Nasser	Middle Initial:
Alias(es):		
Title:		
Business Address:		
City: Emeryville	State: CA	Zip: 94608

Last Name: Leggett	First Name: Ronald	Middle Initial: A
Alias(es):		
Title:		

Last Name:	First Name:	Middle Initial:
Alias(es):		
Title:		
Date of Birth:	Phone:	Email:
Residential Address:		
City:	State:	Zip:
Business Address:		
City:	State:	Zip:

Last Name:		First Name:		Middle Initial:	
Alias(es):					
Title					
Date of Birth:		Phone:		Email:	
Residential Address:					
City:		State:		Zip:	
Business Address:					
City:		State:		Zip:	

Last Name:		First Name:		Middle Initial:	
Alias(es):					
Title					
Date of Birth:		Phone:		Email:	
Residential Address:					
City:		State:		Zip:	
Business Address:					
City:		State:		Zip:	

Last Name:		First Name:		Middle Initial:	
Alias(es):					
Title					
Date of Birth:		Phone:		Email:	
Residential Address:					
City:		State:		Zip:	
Business Address:					
City:		State:		Zip:	

Last Name:		First Name:		Middle Initial:	
Alias(es):					
Title					
Date of Birth:		Phone:		Email:	
Residential Address:					
City:		State:		Zip:	
Business Address:					
City:		State:		Zip:	

4. Permit Revocations

Have any of the persons directly or indirectly interested in the permit sought ever had a permit revoked?

Yes No

If yes, please describe below the circumstances of such revocation.

5. Equity

The Equity Permit Program described under OMC 5.80.045 and OMC 5.81.060 defines an “Equity Applicant” as an Applicant whose ownership/owner²:

1. Is an Oakland resident; and
2. Has an annual income at or less than 80 percent of Oakland Average Medium Income (AMI) adjusted for household size ([click here for 80 percent Oakland AMI thresholds](#)); and
3. Either

(i) has lived in any combination of Oakland police beats 2X, 2Y, 6X, 7X, 19X, 21X, 21Y, 23X, 26Y, 27X, 27Y, 29X, 30X, 30Y, 31Y, 32X, 33X, 34X, 5X, 8X and 35X for at least ten of the last twenty years OR

(ii) was arrested after November 5, 1996 and convicted of a cannabis crime committed in Oakland.

Yes, I fulfill the equity criteria

No, I do not fulfill the equity criteria³

If yes, please provide supporting documentation as described below.

For proof of ownership please provide entity formation documents or documents filed with the California Secretary of State (e.g. articles of incorporation, stock issuance records, operating agreements, partnership agreements).

For proof of income please provide federal tax returns and at least one of the following documents: two months of pay stubs, current Profit and Loss Statement, Balance Sheet or proof of current eligibility for General Assistance, Food Stamps, Medical/CALWORKs or Supplemental Security Income or Social Security Disability (SSI/SSDI).

For proof of residency a minimum of two of the documents listed below, evidencing 10 years of residency shall be considered acceptable proof of residency. All residency documents must list the applicant’s first and last name, and the Oakland residence address in applicable police beats. ***Documents provided in 2022 will not be considered for proof a year of residency, it can be used for proof of current residency only.***

- California driver's record; or
- California identification card record; or

² “Ownership” shall mean the individual or individuals who:

- i. With respect to for-profit entities, including without limitation corporations partnerships, limited liability companies, has or have an aggregate ownership interest (other than a security interest, lien, or encumbrance) of 50% or more of the entity.
- ii. With respect to not for-profit entities, including without limitation a non-profit corporation or similar entity, constitutes or constitute a majority of the board of directors.
- iii. With respect to collective has or have a controlling interest in the collective’s governing body.

³ Applicants who do not satisfy the Equity criteria will be reviewed as General Applicants and their applications will be processed subject to the restrictions of OMC 5.80.045 and 5.80.060.

- Property tax billing and payments; or
- Verified copies of state or federal income tax returns where an Oakland address is listed as a primary address; or
- School records; or
- Medical records; or
- Banking records; or
- Oakland Housing Authority records; or
- Utility, cable or internet company billing and payment covering any month in each of the ten years.

Proof of Conviction should be demonstrated through Court documents, Probation documents, Department of Corrections or Federal Bureau of Prisons documentation.

6. Equity Incubator

General applicants that serve as incubators for equity applicants by providing free rent or real estate are entitled to permitting priority.

In order to receive this permitting priority, the General Applicant must comply with the following conditions:

- The free real estate or rent shall be for a minimum of three years.
- The Equity Applicant shall have access to a minimum of 1,000 square feet to conduct its business operations.
- The General Applicant must provide any City required security measures, including camera systems, safes, and alarm systems for the space utilized by the Equity Applicant.
- The General Applicant is otherwise compliant with all other requirements of OMC Chapter 5.80 or 5.81.

Yes, I will be incubating the following equity applicant:

Ronald Leggett who holds 3 Social Equity licenses. We will identify and add two more Social Equity licenses.

How did you meet your incubator/incubatee? Oakland's Social Equity Program

If yes, please submit supporting documents, including a copy of the lease and/or contractual agreements between General and Equity Applicants.

I am interested in being part of the Equity Incubator Program but have not yet connected with a matching Equity/General Applicant.⁴

⁴ Applicants interested in meeting potential partners can visit www.cannaequity.org

- I am a general applicant and not interested in incubating.
- I am an equity applicant and I am not interested in being incubated
- I am an equity applicant and I am being incubated by: _____

- 7. Type of License:** Medical Adult Use Medical and Adult Use
- Delivery Only-Dispensary Indoor Cultivator Outdoor Cultivator
- Distributor Transporter Testing Laboratory
- Packaging
- Manufacturing with volatile solvents Manufacturing with non-volatile solvents
- Extraction **Shared Kitchen:**
- Infusion Principle Licensee
- Packaging Shared Manufacturing Licensee
- Extraction
- Infusion
- Packaging

8. Projected Annual Gross Receipts:

- Cannabis sales <\$500,000
- Cannabis sales between <\$500,001 - \$999,999
- Cannabis sales >\$999,999

9. Security

- a. Please submit a floor plan, drawn to scale on 8 1/2 x 11" paper that includes:
 - i. layout of the establishment, including parking lots;
 - ii. principal uses of each section;
 - iii. limited access areas;
 - iv. safes;
 - v. alarms;
 - vi. security cameras.
- b. Describe (in no more than two pages) what measures Applicant will take
 - i. to prevent a burglary or armed robbery; and
 - ii. to minimize the loss of product in the case of a burglary or armed robbery.
- c. If utilizing a private security service, please provide
 - i. Company name; and
 - ii. State license number.
- d. Please confirm Applicant will utilize real time IP cameras⁵ by providing the name(s) and contact info for the representative(s) available 24 hours on behalf of Applicant to provide the Oakland Police Department with access to this camera footage in case of an emergency:

⁵ Cameras that can send and receive data via a computer network and the Internet.

Name(s): **Nasser Azimi**



10. Odor Mitigation

Please submit a plan (in no more than two pages) for how cannabis odors will not be detectable outside of the proposed facility, such as utilization of carbon filters.

11. Community Beautification Plan

Please submit a community beautification plan (no more than two pages) detailing specific steps your business will take to reduce illegal dumping, littering, graffiti and blight and promote beautification of the adjacent community.

12. Minimizing Environmental Impact (only Indoor Cultivators must complete)

Prior to permit issuance, the City of Oakland will require that cultivators demonstrate that they are enrolled in the East Bay Community Energy’s **Renewable 100 Option** to comply with carbon neutrality requirements for energy usage. This can be done by enrolling in East Bay Community Energy’s **Renewable 100 Option** program at: <https://ebce.org/change-my-plan/> and forwarding email confirmation of enrollment to cannabisapp@oaklandca.gov

13. Vehicle Insurance (only Delivery-Only Dispensaries and Transporters must complete)

Please provide the information requested below on all vehicles involved in Applicant’s operation and provide proof of insurance.

Proof of insurance may include quotations from an insurance agency, a letter of intent/”will serve” letter⁶, and/or certificates of insurance. Please note, any quotation or letter of intent must be on official agency letterhead and/or documents and a letter of intent must be signed by a qualified agent of an insurance company. Please attach additional pages if necessary.

Insurance must minimally include:

- Commercial General Liability with a limit of \$1,000,000 per occurrence/aggregate
- Commercial/Business Auto Liability with a combined single limit of \$1,000,000
- Hired and Non-Owned Auto Liability coverage
- Worker’s Compensation Coverage

⁶ Please note, the while a quotation or letter of intent is sufficient at the time of application, the insurance policy must ultimately be in place prior to the issuance of the actual cannabis permit.

REGISTERED OWNER:	
VEHICLE MAKE:	VEHICLE MODEL:
LICENSE NUMBER:	REGISTRATION EXPIRATION:
VIN:	
INSURANCE CARRIER & POLICY NUMBER:	

REGISTERED OWNER:	
VEHICLE MAKE:	VEHICLE MODEL:
LICENSE NUMBER:	REGISTRATION EXPIRATION:
VIN:	
INSURANCE CARRIER & POLICY NUMBER:	

14. Supporting Documents.

Please check the boxes below for each supporting document submitted with this application. Please ensure that all supporting documents include a Header with the applicant's name on the top right corner of each page.

- Proof of property ownership/lease agreement or letter of intent to rent/lease/purchase
- Copy of State Registration for corporate structure
- Floor plan
- Security plan
- Odor Mitigation Plan
- Community Beautification Plan

For Equity Applicants Only:

- Proof of Ownership
- Proof of Income
- And either
- Proof of Residency or Proof of Conviction

For Equity Incubator Applicants Only:

- Lease or other contract providing free real estate or rent for a minimum of three years indicating square footage available to the Equity Applicant
- Proof of providing required security measures, including camera systems, safes, and alarm systems for the space utilized by the Equity Applicant.

For Indoor Cultivators only:

- Confirmation of enrollment in East Bay Community Energy's Renewable 100 program

For Delivery-Only Dispensaries and Transporters

- Proof of Vehicle Insurance or Letter of intent/"will"serve letter

15. Oath of Application

I, the undersigned, declare under penalty of perjury that to the best of my knowledge, the information contained in this application and its supporting documentation is truthful, correct and complete; and, the information contained in this application and its supporting documentation discloses all facts regarding the applicant and associated individuals necessary to allow the City Administrator to properly evaluate the applicant's qualifications for registration.

I, the undersigned further agree and acknowledge that I may be required to provide additional information as needed, for a complete investigation by the City Administrator.

I, the undersigned, further agree and recognize that I am responsible for obeying all Federal, State, County and local laws.

I, the undersigned, further agree and understand that any misrepresentations, omissions or falsifications in the application or any documents attached thereto or amendments thereto will be immediate grounds for the City Administrator to deny this permit application and/or immediate grounds for revocation of a cannabis permit.

APPLICANT NAME: Ohana Growers, Inc
SIGNATURE: <i>Nasser Azimi</i>
DATE: August 1, 2022



**CITY OF OAKLAND
Office of the City Administrator**

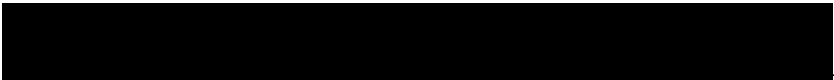
SPECIAL ACTIVITY PERMITS • 1 Frank H. Ogawa Plaza, 1st Floor • Oakland, CA 94612

PRELIMINARY CHECKLIST FOR CANNABIS OPERATORS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

APPLICANT NAME: Ohana Growers, Inc

DBA: _____

APPLICANT CONTACT INFORMATION:



E-mail: _____

PROPERTY OWNER AND APPLICANT INFORMATION
(Only complete if different from Applicant)
Original signatures or clear & legible copies are required.

Property Owner: _____

Property Owner Mailing Address: _____

City/State: _____ Zip: _____

Phone No.: _____ E-mail: _____

I authorize the applicant indicated above to submit the application on my behalf.

Signature of Property Owner: _____

I. SITE INFORMATION

Project Address: _____

Project APN: _____

Project Overview and Description:

What is the approximate square footage for **each** cannabis activity at your proposed site?

Delivery _____

Distribution _____

Indoor Cultivation _____

Outdoor Cultivation _____

Volatile Manufacturing _____

Non-Volatile Manufacturing _____

Transporter _____

Lab Testing _____

What is the approximate square footage of the lot on which the cannabis activity will take place?

Is the project new construction or rehabilitation of an existing facility?

- New Construction Rehabilitation of an existing facility

If rehabilitation, is the number of units or square footage being changed? Yes No (Explain if yes)

What was the prior use of the property/premises?

If your application is approved, will there be multiple cannabis operators located at the property?

Yes No

If yes, how many and what is the approximate total square-footage for all cannabis operators?

Have you incorporated any measures into your project to mitigate or reduce potential environmental impacts? Yes No Unknown

If so, list them here. (Examples include enrollment in clean energy programs, tree preservation plans, creek restoration plans, and open space easements.)

Will the Project utilize a carbon dioxide generator as part of your cannabis facility? Yes No

If yes, will the carbon dioxide generator emit carbon dioxide into the air and at what levels? Please explain and provide consultant report if necessary.

II. HISTORIC RESOURCES

Is the project site located within a historic district, or contain a historic building? Yes No
(Historic information can be obtained from the Planning & Zoning Division at (510) 238-6879)

a) What is the OCHS (Oakland Cultural Heritage Survey) rating of the building?

b) If so, is the building proposed for demolition or alteration?

c) Is there a California Office of Historic Preservation DPR Form 523 with rating of 1 to 5?

Note: Any modification to a historic building will require additional CEQA analysis and may not be eligible for a CEQA exemption.

III. HAZARDOUS MATERIALS

Is the subject property located on a State List of sites containing hazardous materials compiled pursuant to Section 65962.5 of the Government Code? Yes No
(Cortese list, among others; more information can be obtained from California EPA at https://www.dtsc.ca.gov/SiteCleanup/Cortese_List.cfm)

a) If so, has the site been remediated? _____

- b) Is there a "Closure Letter" from the appropriate regulatory Agency? _____
- c) If not remediated, is there an approved Remedial Action Plan (RAP)? _____
- d) If not, has a RAP been submitted? _____

IV. OTHER

Is the applicant aware of any other environmental conditions/impacts likely to require further CEQA or National Environmental Policy Act (NEPA) review, such as:

- i. Sensitive environments, e.g., creeks-wetlands, seismically active areas Yes No
- ii. Peculiar or unique characteristics of the site, the project, or adjacent uses Yes No

Please explain:

I understand that review and approval of this preliminary CEQA checklist does not constitute approval for any administrative review, conditional use permit, variance, or exception from any other City regulations which are not specifically the subject of this application. I understand further that I remain responsible for satisfying requirements of any private restrictions or covenants appurtenant to the property. I understand that the Applicant and/or Owner phone number listed above will be included on any public notice, if any, for the project.

I certify that I am the applicant and that the information submitted with this preliminary CEQA checklist is true and accurate to the best of my knowledge and belief. I understand that the City is not responsible for inaccuracies in information presented, and that inaccuracies may result in the revocation of any permits as determined by the City. I further certify that I am the owner or purchaser (or option holder) of the property involved in this application, or the lessee or agent fully authorized by the owner to make this submission, as indicated by the owner's signature above.

I certify that statements, if any, made to me about the time it takes to review and process this application are general. I am aware that the City has attempted to request everything necessary for an accurate and complete CEQA review of my proposal; however, that after this preliminary CEQA checklist and/or application has been submitted and reviewed by the City Administrator's Office, it may be necessary for the City to request additional information and/or materials. I understand that any failure to submit the additional information and/or materials in

a timely manner may render the application inactive and that periods of inactivity do not count towards statutory time limits applicable to the processing of this application.

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL THE INFORMATION PROVIDED ON THIS APPLICATION IS TRUE AND CORRECT.

Signature of Applicant: _____

Date: _____

**FOR
OFFICE
USE
ONLY**

CEQA Review done by: _____		Date: _____
Findings:	<input type="checkbox"/> Exempt	<input type="checkbox"/> Needs Additional Information
Notice of Exemption completed by: _____		Date: _____

Ohana Growers Odor Management Plan

In order to prevent the potential for surrounding businesses or the public from exposure to cannabis odors, inventory rooms will be sealed and will be retrofitted with state-of-the-art heavy-duty commercial carbon scrubbers that will be hung from the ceilings in order to continually recirculate and cleanse the air within each room and the facility as a whole. Commercial grade Carbon scrubbers consist of large carbon filters with vortex style fans attached to the filter which pull air through the unit to cleanse any impurity. This dual filtration system will ensure no odors leave the rooms or premises.

Ohana Growers' air filtration system utilizes a carbon-based unit to absorb and reduce odors inside the building in order to reduce irritants for the employees, customers, and the neighbors. Fans will create air circulation to avoid stagnant areas where odors can collect.

Odor Control

Ohana Growers will utilize two levels of Carbon Filters. One level in each room within the facility and another level at all entrances and exists. A carbon filter is a round, hollow device with a membrane that contains activated charcoal (carbon). Dirty air passes through the carbon filter and clean, odorless air exits the other side. Carbon filters are the most popular odor control option on the market because they are highly effective, widely available, low priced, and low maintenance. Granular Activated Carbon Activated charcoal is so effective because of its high degree of micro-porosity, just 1 gram of activated carbon has a surface area in excess of 500m² or about one tenth the size of an American football field. Carbon filters are low maintenance and with a proper pre-filter we will only have to change the activated carbon every 12 to 18 months. This can vary depending on variables such as fan speed, hours of use, carbon quality, etc.

The environment and the community impact are one of the most important aspects of a cannabis operation. We are working directly with the filter company to ensure we address the odor removal to the best of our ability and set a standard for this industry in our community.

For each 1000 square foot room, the filtration engineers recommend 2 Can Lite 14" XL and 1 Max Fan 14" HO called "The Beast!"

To implement a solution where odor does not impact the staff, customers, or neighbors, the engineers recommended applying 4 Can Lite 14" XL and 2 Max Fan 14" HO to double the power of "The Beast" in the Ohana Growers storefront facility. This will achieve 7200cfm coverage for the entire space above which is sufficient to cover twice as much square footage and vertical height.

Ohana Growers Community Relations Plan

Ohana Growers' leadership committed to the neighborhood and community within which it operates. We feel a part of the Sacramento community and will work hard to make sure our neighborhood is safe and secure by implementing responsible policies and practices.

In the cannabis industry, community involvement is a critical success factor. As such, Ohana Growers will maintain a strong and positive relationship with its neighborhood and community surrounding the storefront premises.

For such an important purpose, Ohana Growers is retaining Mr. Robert Fong as its Community Relations Consultant for community outreach and collaboration within the surrounding neighborhood associations, businesses, community action groups, and more. Mr. Fong can be reached at [REDACTED] or rob@rkfconsulting.net.

Community Beautification

Ohana Growers will work with the local agencies to eradicate illegal dumping and graffiti surrounding our proposed location. In addition, Ohana Growers will fund and outsource its community beautification to a local operator with such specialties to ensure that the storefront area is clear of garbage, graffiti, and other eye sores that generally disturb the good neighbors, damage retail businesses, and reduce property values.

In addition, loitering will not be tolerated around the proposed premises, in particular within the entry areas leading to the retail store and expanding about 100 feet on each side of the facility. Our security officers and staff will be monitoring the area on cameras and by walking around every hour to will ensure such circumstances are controlled to keep our storefront clean, secure, and safe to onsite customers. In addition, sufficient signage will be posted indicating this fact as well as perimeter checks that will be performed by security officers throughout the day and off hours to ensure loiterers are not present. If loiterers are found in the area, they will be asked to clean up and leave the area immediately. If they refuse to comply the local police department will be notified.

Exterior loitering will be monitored and prevented via full time security officers during business hours and via third party security company and signage during off hours including the use of high-quality security cameras placed inside and outside the main entrance and exit. The security officers will monitor any exterior activities to ensure the customer traffic flow moves smoothly and that no exterior loitering occurs. Interior loitering will be monitored constantly without disrupting the movement of customers within the storefront area.

Ohana Growers

Community Development

In addition to the Community Beautification, Ohana Growers' incubator business model is designed to support qualified social equity applicants interested in legalizing their underground cannabis operations and don't have the financial or business background to do so. The model is designed to encourage underground operators to transform their "street corner" book of business into legitimate operations.

We believe effective public, private, and non-profit collaboration will be the best solution to transform the interested underground operators into tax paying and responsible entities, which will focus enforcement activities on the criminal underground cannabis operations. Our leadership deep experience with successful Technology & Business will power its incubator business model.

Our proven approach includes, but is not limited to, the following components:

Focused on Community Members

We will carry out weekly community outreach to promote the Ohana Growers incubator business model. Our outreach is carried out by organizing specific events at our training facilities or by participating in community-based programs and events to introduce and promote the Incubator models.

Simple Program Entry Criteria

Entry into the incubator program is simple and requires zero investment of funds by the qualified social equity operators. However, our program is designed for operators with production and sales experience, albeit underground with emphasis on communities that are hit the hardest with underground cannabis activities. In addition to experience, we require a clear background, with exemptions for former cannabis related incarcerations that may be allowed per state and local laws.

360 Degree Business Support

Our incubator programs include operational capacity across the board. Our program provides the social equity applicants with seed funding, tools, and mentoring for industry and general business administration, marketing, tax and financial management, legal, and government relations support during the permitting process.

No Required Capital for Entry

We require no investment of funds or capital from qualified applicants. The success of our program lies in the experience, independence, creativity, and investment of time by qualified applicants to build their business operations. We will provide seed funding for the facility, inventory, permitting, licensing, and general business management practices to reduce or eliminate the barriers to entry to legalize, pay taxes, and remain compliant.

Reducing Underground Operations!

Our goal is to target "street corner" operators, in particular the youth who are induced into the underground operations due to lack of employment or start-up funds for qualified real estate, seed funding, and permitting.

To form a **general stock corporation** in California, you can fill out this form or prepare your own document, and submit for filing along with:

- A **\$100** filing fee.
- A separate, non-refundable **\$15** service fee also must be included, if you **drop off** the completed form or document.

Important! Corporations in California may have to pay a minimum \$800 yearly tax to the California Franchise Tax Board. For more information, go to <https://www.ftb.ca.gov>.

Note: *Before submitting the completed form, you should consult with a private attorney for advice about your specific business needs.*

FILED
Secretary of State
State of California

FEB 03 2015

lee

This Space For Office Use Only

For questions about this form, go to www.sos.ca.gov/business/be/filing-tips.htm.

Corporate Name (List the proposed corporate name. Go to www.sos.ca.gov/business/be/name-availability.htm for general corporate name requirements and restrictions.)

- ① The name of the corporation is Ohana Growers

Corporate Purpose

- ② The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

Service of Process (List a California resident or a California registered corporate agent that agrees to be your initial agent to accept service of process in case your corporation is sued. You may list any adult who lives in California. You may not list your own corporation as the agent. Do not list an address if the agent is a California registered corporate agent as the address for service of process is already on file.)

- ③ a. Maryam Asefinejad
Agent's Name
- b. 10824 Olson Drive Suite C-314, Sacramento CA 95670-5651
Agent's Street Address (if agent is not a corporation) - Do not list a P.O. Box *City (no abbreviations)* *State* *Zip*

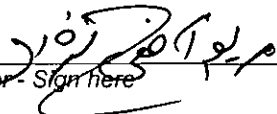
Corporate Addresses

- ④ a. 10824 Olson Drive Suite C-314, Sacramento, CA 95670
Initial Street Address of Corporation - Do not list a P.O. Box *City (no abbreviations)* *State* *Zip*
- b. _____
Initial Mailing Address of Corporation, if different from 4a *City (no abbreviations)* *State* *Zip*

Shares (List the number of shares the corporation is authorized to issue. Note: Before shares of stock are sold or issued, the corporation must comply with the Corporate Securities Law of 1968 administered by the California Department of Business Oversight. For more information, go to www.dbo.ca.gov or call the California Department of Business Oversight at (866) 275-2677.)

- ⑤ This corporation is authorized to issue only one class of shares of stock.
The total number of shares which this corporation is authorized to issue is 10000

This form must be signed by each incorporator. If you need more space, attach extra pages that are 1-sided and on standard letter-sized paper (8 1/2" x 11"). All attachments are made part of these articles of incorporation.


Incorporator - Sign here

Maryam Asefinejad
Print your name here

Make check/money order payable to: **Secretary of State**

Upon filing, we will return one (1) uncertified copy of your filed document for free, and will certify the copy upon request and payment of a \$5 certification fee.

By Mail

Secretary of State
Business Entities, P.O. Box 944260
Sacramento, CA 94244-2600

Drop-Off

Secretary of State
1500 11th Street, 3rd Floor
Sacramento, CA 95814



STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS
FOR PURCHASE OF REAL ESTATE

(Non-Residential)

Dated: 9/6/2022

1. Buyer.

1.1 Teranomic, a California Corporation or Assignee, ("Buyer") hereby offers to purchase the real property, hereinafter described, from the owner thereof ("Seller") (collectively, the "Parties" or individually, a "Party"), through an escrow ("Escrow") to close 30 -or 7 days after the waiver or satisfaction of the Buyer's Contingencies, ("Expected Closing Date") to be held by Old Republic Title Company, Julie Massey ("Escrow Holder") whose address is 555 12th Street, Ste 2000, Oakland, CA 94607, Phone No. 510-272-1121, Facsimile No. 510-208-5045 upon the terms and conditions set forth in this agreement ("Agreement"). Buyer shall have the right to assign Buyer's rights hereunder, but any such assignment shall not relieve Buyer of Buyer's obligations herein unless Seller expressly releases Buyer.

1.2 The term "Date of Agreement" as used herein shall be the date when by execution and delivery (as defined in paragraph 20.2) of this document or a subsequent counteroffer thereto, Buyer and Seller have reached agreement in writing whereby Seller agrees to sell, and Buyer agrees to purchase, the Property upon terms accepted by both Parties.

2. Property.

2.1 The real property ("Property") that is the subject of this offer consists of (insert a brief physical description) Commercial Building is located in the County of Alameda, is commonly known as (street address, city, state, zip) 3838 Grand Avenue, Oakland, Ca and is legally described as: (APN: 11-853-30).

2.2 If the legal description of the Property is not complete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected to meet the requirements of Old Republic Title Company ("Title Company"), which shall issue the title policy hereinafter described.

2.3 The Property includes, at no additional cost to Buyer, the permanent improvements thereon including those which pursuant to applicable law are a part of the property, as well as the following items, if any, owned by Seller and at present located on the Property: central distribution systems (power panel, bus ducting, conduits, disconnects, lighting fixtures); telephone distribution systems (lines, jacks and connectors only); space heaters; heating, ventilating, air conditioning equipment ("HVAC"); air lines; fire sprinkler systems; security and fire detection systems; carpets; window coverings; wall coverings; and N/A (collectively, the "Improvements").

2.4 The fire sprinkler monitor: [] is owned by Seller and included in the Purchase Price, [] is leased by Seller, and Buyer will need to negotiate a new lease with the fire monitoring company, [] ownership will be determined during Escrow, or [X] there is no fire sprinkler monitor.

2.5 Except as provided in Paragraph 2.3, the Purchase Price does not include Seller's personal property, furniture and furnishings, and N/A all of which shall be removed by Seller prior to Closing.

3. Purchase Price.

3.1 The purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be [REDACTED], payable as follows: (Strike any not applicable)

(a) Cash down payment, including the Deposit as defined in paragraph 4.3 (or if an all cash transaction, the Purchase Price): [REDACTED]

(b) Amount of "New Loan" as defined in paragraph 5.1, if any: [REDACTED]

(c) Buyer shall take title to the Property subject to and/or assume the following existing deed(s) of trust ("Existing Deed(s) of Trust") securing the existing promissory note(s) ("Existing Note(s)":

(i) An Existing Note ("First Note") with an unpaid principal balance as of the Closing of approximately: [REDACTED]

Said First Note is payable at [REDACTED] per month, including interest at the rate of [REDACTED] % per annum until paid (and/or the entire unpaid balance is due on [REDACTED]).

(ii) An Existing Note ("Second Note") with an unpaid principal balance as of the Closing of approximately: [REDACTED]

Said Second Note is payable at [REDACTED] per month, including interest at the rate of [REDACTED] % per annum until paid (and/or the entire unpaid balance is due on [REDACTED]).

(d) Buyer shall give Seller a deed of trust ("Purchase Money Deed of Trust") on the property, to secure the promissory note of Buyer to Seller described in paragraph 6 ("Purchase Money Note") in the amount of: [REDACTED]

Total Purchase Price: [REDACTED]

3.2 If Buyer is taking title to the Property subject to, or assuming, an Existing Deed of Trust and such deed of trust permits the beneficiary to demand payment of fees including, but not limited to, points, processing fees, and appraisal fees as a condition to the transfer of the Property, Buyer agrees to pay such fees up to a

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maximum of 1.5% of the unpaid principal balance of the applicable Existing Note.

4. Deposits.

4.1 Buyer has delivered to Broker a check in the sum of _____, payable to Escrow Holder, to be delivered by Broker to Escrow Holder within 2 or _____ business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder, or within 2 or _____ business days after both Parties have executed this Agreement and the executed Agreement has been delivered to Escrow Holder Buyer shall deliver to Escrow Holder a check in the sum of _____ . If said check is not received by Escrow Holder within said time period then Seller may elect to unilaterally terminate this transaction by giving written notice of such election to Escrow Holder whereupon neither Party shall have any further liability to the other under this Agreement. Should Buyer and Seller not enter into an agreement for purchase and sale, Buyer's check or funds shall, upon request by Buyer, be promptly returned to Buyer.

4.2 Additional deposits:

(a) Within 5 business days after the Date of Agreement, Buyer shall deposit with Escrow Holder the additional sum of _____ to be applied to the Purchase Price at the Closing.

(b) Within 52 business days after the contingencies discussed in paragraph 9.1 (a) through (m) are approved or waived, Buyer shall deposit with Escrow Holder the additional sum of _____ to be applied to the Purchase Price at the Closing.

(c) If an Additional Deposit is not received by Escrow Holder within the time period provided then Seller may notify Buyer, Escrow Holder, and Brokers, in writing that, unless the Additional Deposit is received by Escrow Holder within 2 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

4.3 Escrow Holder shall deposit the funds deposited with it by Buyer pursuant to paragraphs 4.1 and 4.2 (collectively the "Deposit"), in a State or Federally chartered bank in an interest bearing account whose term is appropriate and consistent with the timing requirements of this transaction. The interest therefrom shall accrue to the benefit of Buyer, who hereby acknowledges that there may be penalties or interest forfeitures if the applicable instrument is redeemed prior to its specified maturity. Buyer's Federal Tax Identification Number is _____. NOTE: Such interest bearing account cannot be opened until Buyer's Federal Tax Identification Number is provided.

4.4 Notwithstanding the foregoing, within 5 days after Escrow Holder receives the monies described in paragraph 4.1 above, Escrow Holder shall release \$100 of said monies to Seller as and for independent consideration for Seller's execution of this Agreement and the granting of the contingency period to Buyer as herein provided. Such independent consideration is non-refundable to Buyer but shall be credited to the Purchase Price in the event that the purchase of the Property is completed.

4.5 Upon waiver of all of Buyer's contingencies the Deposit shall become non-refundable but applicable to the Purchase Price except in the event of a Seller breach, or in the event that the Escrow is terminated pursuant to the provisions of Paragraph 9.1(n) (Destruction, Damage or Loss) or 9.1(o) (Material Change). If Buyer terminates the Agreement prior to waiving Buyer's Contingencies then the Deposit shall be returned to Buyer.

5. ~~Financing Contingency. (Strike if not applicable)~~

~~5.1 This offer is contingent upon Buyer obtaining from an insurance company, financial institution or other lender, a commitment to lend to Buyer a sum equal to at least _____% of the Purchase Price, on terms acceptable to Buyer. Such loan ("New Loan") shall be secured by a first deed of trust or mortgage on the Property. If this Agreement provides for Seller to carry back junior financing, then Seller shall have the right to approve the terms of the New Loan. Seller shall have 7 days following receipt of the commitment setting forth the proposed terms of the New Loan to approve or disapprove of such proposed terms. If Seller fails to notify Escrow Holder, in writing, of the disapproval within said 7 days it shall be conclusively presumed that Seller has approved the terms of the New Loan.~~

~~5.2 If Buyer shall fail to notify its Broker, Escrow Holder and Seller, in writing within _____ days following the Date of Agreement, that the New Loan has not been obtained, it shall be conclusively presumed that Buyer has either obtained said New Loan or has waived this New Loan contingency.~~

~~5.3 If Buyer shall notify its Broker, Escrow Holder and Seller, in writing, within the time specified in paragraph 5.2 hereof, that Buyer has not obtained said New Loan, this Agreement shall be terminated, and Buyer shall be entitled to the prompt return of the Deposit, plus any interest earned thereon, less only Escrow Holder and Title Company cancellation fees and costs, which Buyer shall pay.~~

6. Seller Financing. (Purchase Money Note). (Strike if not applicable)

6.1 If Seller approves Buyer's financials (see paragraph 6.5) the Purchase Money Note shall provide for interest on unpaid principal at the rate of _____ % per annum, with principal and interest paid as follows:

_____. The Purchase Money Note and Purchase Money Deed of Trust shall be on the current forms commonly used by Escrow Holder, and be junior and subordinate only to the Existing Note(s) and/or the New Loan expressly called for by this Agreement.

6.2 The Purchase Money Note and/or the Purchase Money Deed of Trust shall contain provisions regarding the following (see also paragraph 10.3 (b)):

(a) Prepayment. Principal may be prepaid in whole or in part at any time without penalty, at the option of the Buyer.

(b) Late Charge. A late charge of 6% shall be payable with respect to any payment of principal, interest, or other charges, not made within 10 days after it is due.

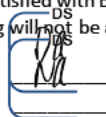
(c) Due On Sale. In the event the Buyer sells or transfers title to the Property or any portion thereof, then the Seller may, at Seller's option, require the entire unpaid balance of said Note to be paid in full.

6.3 If the Purchase Money Deed of Trust is to be subordinate to other financing, Escrow Holder shall, at Buyer's expense prepare and record on Seller's behalf a request for notice of default and/or sale with regard to each mortgage or deed of trust to which it will be subordinate.

6.4 WARNING: CALIFORNIA LAW DOES NOT ALLOW DEFICIENCY JUDGEMENTS ON SELLER FINANCING. IF BUYER ULTIMATELY DEFAULTS ON THE LOAN, SELLER'S SOLE REMEDY IS TO FORECLOSE ON THE PROPERTY.

6.5 Seller's obligation to provide financing is contingent upon Seller's reasonable approval of Buyer's financial condition. Buyer to provide a current financial statement and audited financials copies of its Federal tax returns for the last 3 years to Seller within 10 days following the Date of Agreement. Seller has 10 days following receipt of such documentation to satisfy itself with regard to Buyer's financial condition and to notify Escrow Holder as to whether or not Buyer's financial condition is acceptable. If Seller fails to notify Escrow Holder, in writing, of the disapproval of this contingency within said time period, it shall be conclusively presumed that Seller has disapproved Buyer's financial condition. If Seller is not satisfied with Buyer's financial condition or if Buyer fails to deliver the required documentation then Seller may notify Escrow Holder in writing that Seller Financing will not be available, and Buyer shall have the option, within 10 days of the


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receipt of such notice, to either terminate this transaction or to purchase the Property without Seller financing. If Buyer fails to notify Escrow Holder within said time period of its election to terminate this transaction then Buyer shall be conclusively presumed to have elected to not purchase the Property without Seller financing. If Buyer elects to terminate, Buyer's Deposit shall be refunded less Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation.

7. Real Estate Brokers.

7.1 Each Party acknowledges receiving a Disclosure Regarding Real Estate Agency Relationship, confirms and consents to the following agency relationships in this transaction with the following real estate broker(s) ("Brokers") and/or their agents ("Agent(s)"): Seller's Brokerage Firm California Capital & Investment Group License No. 01884628 is the broker of (check one):

the Seller; or both the Buyer and Seller (dual agent).

Seller's Agent Gary Bettencourt & Michael McGuire License No. 00880217 & 01790296 is (check one): the Seller's Agent (salesperson or broker associate); or both the Seller's Agent and the Buyer's Agent (dual agent).

Buyer's Brokerage Firm California Capital & Investment Group License No. 01884628 is the broker of (check one): the Buyer; or both the Buyer and Seller (dual agent).

Buyer's Agent Gary Bettencourt & Michael McGuire License No. 00880217 & 01790296 is (check one): the Buyer's Agent (salesperson or broker associate); or both the Buyer's Agent and the Seller's Agent (dual agent).

The Parties acknowledge that other than the Brokers and Agents listed above, there are no other brokers or agents representing the Parties or due any fees and/or commissions under this Agreement. Buyer shall use the services of Buyer's Broker exclusively in connection with any and all negotiations and offers with respect to the Property for a period of 1 year from the date inserted for reference purposes at the top of page 1.

7.2 Buyer and Seller each represent and warrant to the other that he/she/it has had no dealings with any person, firm, broker, agent or finder in connection with the negotiation of this Agreement and/or the consummation of the purchase and sale contemplated herein, other than the Brokers and Agents named in paragraph 7.1, and no broker, agent or other person, firm or entity, other than said Brokers and Agents is/are entitled to any commission or finder's fee in connection with this transaction as the result of any dealings or acts of such Party. Buyer and Seller do each hereby agree to indemnify, defend, protect and hold the other harmless from and against any costs, expenses or liability for compensation, commission or charges which may be claimed by any broker, agent, finder or other similar party, other than said named Brokers and Agents by reason of any dealings or act of the indemnifying Party.

8. Escrow and Closing.

8.1 Upon acceptance hereof by Seller, this Agreement, including any counteroffers incorporated herein by the Parties, shall constitute not only the agreement of purchase and sale between Buyer and Seller but also instructions to Escrow Holder for the consummation of the Agreement through the Escrow. Escrow Holder shall not prepare any further escrow instructions estati g amending the Agr em nt less p cificaly inst ted by Parti r a Broker herein. Subject to the reasonable approval of the Parties, Escrow Holder m y, however, includ its standard ge eral e cr w provis n the ent th t there is any conflict between the provisions of the Agreement and the provisions of any additional escrow instructions the p visions the Ag emen s all pr v i as to the Parties and the Escrow Holder.

8.2 As soon as practical after the receipt of this Agreement and any relevant counteroffers, Escrow Holder shall ascertain the Date of Agreement as defined in paragraphs 1.2 and 20.2 and advise the Parties and Brokers, in writing, of the date ascertained.

8.3 Escrow Holder is hereby authorized and instructed to conduct the Escrow in accordance with this Agreement, applicable law and custom and practice of the community in which Escrow Holder is located, including any reporting requirements of the Internal Revenue Code. In the event of a conflict between the law of the state where the Property is located and the law of the state where the Escrow Holder is located, the law of the state where the Property is located shall prevail.

8.4 Subject to satisfaction of the contingencies herein described, Escrow Holder shall close this escrow (the "Closing") by recording a general warranty deed (a grant deed in California) and the other documents required to be recorded, and by disbursing the funds and documents in accordance with this Agreement.

8.5 Per Alameda County custom, Buyer shall pay escrow charges and title insurance costs. Seller shall pay County transfer tax/recording fees. Buyer and seller shall split the City of Oakland transfer tax 50/50 Buyer and Seller shall each pay one-half of the Escrow Holder's charges and Seller shall pay the usual recording fees and any required documentary transfer taxes Seller shall pay the premium for a standard coverage owner's or joint protection policy of title insurance. (See also paragraph 11.)

8.6 Escrow Holder shall verify that all of Buyer's contingencies have been satisfied or waived prior to Closing. The matters contained in paragraphs 9.1 subparagraphs (b), (c), (d), (e), (g), (i), (n), and (o), 9.4, 12, 13, 14, 16, 18, 20, 21, 22, and 24 are, however, matters of agreement between the Parties only and are not instructions to Escrow Holder.

8.7 If this transaction is terminated for non-satisfaction and non-waiver of a Buyer's Contingency, as defined in paragraph 9.2 or disapproval of any other matter subject to Buyer's approval, then neither of the Parties shall thereafter have any liability to the other under this Agreement, except to the extent of a breach of any affirmative covenant or warranty in this Agreement. In the event of such termination, Buyer shall, subject to the provisions of paragraph 8.10, be promptly refunded all funds deposited by Buyer with Escrow Holder, less only the \$100 provided for in paragraph 4.4 and the Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation. If this transaction is terminated as a result of Seller's breach of this Agreement then Seller shall pay the Title Company and Escrow Holder cancellation fees and costs.

8.8 The Closing shall occur on the Expected Closing Date, or as soon thereafter as the Escrow is in condition for Closing; provided, however, that if the Closing does not occur by the Expected Closing Date and said Date is not extended by mutual instructions of the Parties, a Party not then in default under this Agreement may notify the other Party, Escrow Holder, and Brokers, in writing that, unless the Closing occurs within 5 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

8.9 Except as otherwise provided herein, the termination of Escrow shall not relieve or release either Party from any obligation to pay Escrow Holder's fees and costs or constitute a waiver, release or discharge of any breach or default that has occurred in the performance of the obligations, agreements, covenants or warranties contained therein.

8.10 If this Escrow is terminated for any reason other than Seller's breach or default, then as a condition to the return of Buyer's deposit, Buyer shall within 5 days after written request deliver to Seller, at no charge, copies of all surveys, engineering studies, soil reports, maps, master plans, feasibility studies and other similar items prepared by or for Buyer that pertain to the Property.

9. Contingencies to Closing.

9.1 The Closing of this transaction is contingent upon the satisfaction or waiver of the following contingencies. IF BUYER FAILS TO NOTIFY ESCROW HOLDER,

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IN WRITING, OF THE ~~DIS~~APPROVAL OF ANY OF SAID CONTINGENCIES WITHIN THE TIME SPECIFIED THEREIN, IT SHALL BE CONCLUSIVELY PRESUMED THAT BUYER HAS ~~DIS~~APPROVED SUCH ITEM, MATTER OR DOCUMENT. Buyer's conditional approval shall constitute disapproval, unless provision is made by the Seller within the time specified therefore by the Buyer in such conditional approval or by this Agreement, whichever is later, for the satisfaction of the condition imposed by the Buyer. Escrow Holder shall promptly provide all Parties with copies of any written disapproval or conditional approval which it receives. With regard to subparagraphs (a) through (m) the pre-printed time periods shall control unless a different number of days is inserted in the spaces provided.

(a) ~~Disclosure.~~ Seller shall make to Buyer, through Escrow, all of the applicable disclosures required by law (See AIR CRE ("AIR") standard form entitled "Seller's Mandatory Disclosure Statement") and provide Buyer with a completed Property Information Sheet ("Property Information Sheet") concerning the Property, duly executed by or on behalf of Seller in the current form or equivalent to that published by the AIR within 10 ~~or~~ _____ days following the Date of Agreement. Buyer has 4010 days from the ~~receipt of said disclosures~~ Date of Agreement to approve or disapprove the matters disclosed.

(b) ~~Physical Inspection.~~ Buyer has 10 ~~or~~ 40 days following the ~~receipt of the Property Information Sheet or the~~ Date of Agreement, ~~whichever is later,~~ to satisfy itself with regard to the physical aspects and size of the Property.

(c) ~~Hazardous Substance Conditions Report.~~ Buyer has 30 ~~or~~ 40 days following the ~~receipt of the Property Information Sheet or the~~ Date of Agreement, ~~whichever is later,~~ to satisfy itself with regard to the environmental aspects of the Property. Seller recommends that Buyer obtain a Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties. Any such report shall be paid for by Buyer. A "Hazardous Substance" for purposes of this Agreement is defined as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare. A "Hazardous Substance Condition" for purposes of this Agreement is defined as the existence on, under or relevantly adjacent to the Property of a Hazardous Substance that would require remediation and/or removal under applicable Federal, state or local law.

(d) ~~Soil Inspection.~~ Buyer has 30 ~~or~~ 40 days following the ~~receipt of the Property Information Sheet or~~ the Date of Agreement, ~~whichever is later,~~ to satisfy itself with regard to the condition of the soils on the Property. Seller recommends that Buyer obtain a soil test report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any soils report that Seller may have within 10 days following the Date of Agreement.

(e) ~~Governmental Approvals.~~ Buyer has 30 ~~or~~ 40 days following the Date of Agreement to satisfy itself with regard to approvals and permits from governmental agencies or departments which have or may have jurisdiction over the Property and which Buyer deems necessary or desirable in connection with its intended use of the Property, including, but not limited to, permits and approvals required with respect to zoning, ~~use of the building,~~ planning, building and safety, fire, police, handicapped and Americans with Disabilities Act requirements, transportation and environmental matters.

(f) ~~Conditions of Title.~~ Escrow Holder shall cause a current commitment for title insurance ("Title Commitment") concerning the Property issued by the Title Company, as well as legible copies of all documents referred to in the Title Commitment ("~~Underlying Documents~~"), and a scaled and dimensioned plot showing the location of any easements to be delivered to Buyer within 10 ~~or~~ _____ days following the Date of Agreement. Buyer has 1040 days from the ~~receipt of the Title Commitment, the Underlying Documents and the plot plan~~ Date of Agreement to satisfy itself with regard to the condition of title. The disapproval by Buyer of any monetary encumbrance, which by t e terms of this Agreement is ot to remain against the Property after the Closing, shall not be considered a failure of this contingency, as Seller shall have the obligatio , at S ler expense, to s tify and emove such dis ppro ed monetary encumb ance at or before the Closing.

(g) ~~Survey.~~ Buyer has 30 ~~or~~ 40 ays following the ~~receipt of he Title Commitment nd Underlyi g Documents~~ Date of Agreement to satisfy itself with regard to any ALTA title supplement based upon a survey prepared to American Land Title Association ("ALTA") standards for an owner's policy by a licensed surveyor, showing the legal description and boundary lines of the Property, any easements of record, and any improvements, poles, structures and things located within 10 feet of either side of the Property boundary lines. Any such survey shall be prepared at Buyer's direction and expense. If Buyer has obtained a survey and approved the ALTA title supplement, Buyer may elect within the period allowed for Buyer's approval of a survey to have an ALTA extended coverage owner's form of title policy, in which event Buyer shall pay any additional premium attributable thereto.

(h) ~~Existing Leases and Tenancy Statements.~~ Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide both Buyer and Escrow Holder with legible copies of all leases, subleases or rental arrangements (collectively, "~~Existing Leases~~") affecting the Property, ~~and with a tenancy statement ("Estoppel Certificate") in the latest form or equivalent to that published by the AIR, executed by Seller and/or each tenant and subtenant of the Property. Seller shall use its best efforts to have each tenant complete and execute an Estoppel Certificate. If any tenant fails or refuses to provide an Estoppel Certificate then Seller shall complete and execute an Estoppel Certificate for that tenancy.~~ Buyer has 10 days from the receipt of said Existing Leases and Estoppel Certificates to satisfy itself with regard to the Existing Leases and any other tenancy issues.

~~(i) Owner's Association.~~ Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide Buyer with a statement and transfer package from any owner's association servicing the Property. Such transfer package shall at a minimum include: copies of the association's bylaws, articles of incorporation, current budget and financial statement. Buyer has 10 days from the receipt of such documents to satisfy itself with regard to the association.

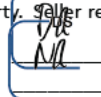
(j) ~~Other Agreements.~~ Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide Buyer with legible copies of all other agreements ("~~Other Agreements~~") known to Seller that will affect the Property after Closing. Buyer has 1040 days from the ~~receipt of said Other Agreements~~ Date of Agreement to satisfy itself with regard to such Agreements.

(k) ~~Appraisal.~~ Buyer shall have 40 days from the Date of Agreement to obtain an appraisal of the Property. If within this 40 day period, the Buyer obtains an appraisal for the Property and it does not appraise at a value equal to the Purchase Price or higher, Buyer may terminate the Agreement and the Deposit shall be returned to the Buyer. ~~Financing.~~ ~~If paragraph 5 hereof dealing with a financing contingency has not been stricken, the satisfaction or waiver of such New Loan contingency.~~

~~(l) Existing Notes.~~ ~~If paragraph 3.1(c) has not been stricken, Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide Buyer with legible copies of the Existing Notes, Existing Deeds of Trust and related agreements (collectively, "~~Loan Documents~~") to which the Property will remain subject after the Closing. Escrow Holder shall promptly request from the holders of the Existing Notes a beneficiary statement ("~~Beneficiary Statement~~") confirming: (1) the amount of the unpaid principal balance, the current interest rate, and the date to which interest is paid, and (2) the nature and amount of any impounds held by the beneficiary in connection with such loan. Buyer has 10 ~~or~~ _____ days following the receipt of the Loan Documents and Beneficiary Statements to satisfy itself with regard to such financing. Buyer's obligation to close is conditioned upon Buyer being able to purchase the Property without acceleration or change in the terms of any Existing Notes or charges to Buyer except as otherwise provided in this Agreement or approved by Buyer, provided, however, Buyer shall pay the transfer fee referred to in paragraph 3.2 hereof. Likewise if Seller is to carry back a Purchase Money Note then Seller shall within 10 ~~or~~ _____ days following the Date of Agreement provide Buyer with a copy of the proposed Purchase Money Note and Purchase Money Deed of Trust. Buyer has 10 ~~or~~ _____ days following the receipt of such documents to satisfy itself with regard to the form and content thereof.~~

(m) ~~Personal Property.~~ In the event that any personal property is included in the Purchase Price, Buyer has 10 ~~or~~ 40 days following the Date of Agreement to satisfy itself with regard to the title condition of such personal property. ~~Seller~~ recommends that Buyer obtain a UCC-1 report. Any such report shall be


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paid for by Buyer. Seller shall provide Buyer copies of any liens or encumbrances affecting such personal property that it is aware of within 10 of _____ days following the Date of Agreement.

(n) *Destruction, Damage or Loss.* Subsequent to the Date of Agreement and prior to Closing there shall not have occurred a destruction of, or damage or loss to, the Property or any portion thereof, from any cause whatsoever, which would cost more than \$10,000.00 to repair or cure. If the cost of repair or cure is \$10,000.00 or less, Seller shall repair or cure the loss prior to the Closing. Buyer shall have the option, within 10 days after receipt of written notice of a loss costing more than \$10,000.00 to repair or cure, to either terminate this Agreement or to purchase the Property notwithstanding such loss, but without deduction or offset against the Purchase Price. If the cost to repair or cure is more than \$10,000.00, and Buyer does not elect to terminate this Agreement, Buyer shall be entitled to any insurance proceeds applicable to such loss. Unless otherwise notified in writing, Escrow Holder shall assume no such destruction, damage or loss has occurred prior to Closing.

(o) *Material Change.* Buyer shall have 10 days following receipt of written notice of a Material Change within which to satisfy itself with regard to such change. "Material Change" shall mean a substantial adverse change in the use, occupancy, tenants, title, or condition of the Property that occurs after the date of this offer and prior to the Closing. Unless otherwise notified in writing, Escrow Holder shall assume that no Material Change has occurred prior to the Closing.

(p) *Seller Performance.* The delivery of all documents and the due performance by Seller of each and every undertaking and agreement to be performed by Seller under this Agreement.

(q) *Brokerage Fee.* Payment at the Closing of such brokerage fee as is specified in this Agreement or later written instructions to Escrow Holder executed by Seller and Brokers ("**Brokerage Fee**"). It is agreed by the Parties and Escrow Holder that Brokers are a third party beneficiary of this Agreement insofar as the Brokerage Fee is concerned, and that no change shall be made with respect to the payment of the Brokerage Fee specified in this Agreement, without the written consent of Brokers.

9.2 All of the contingencies specified in subparagraphs (a) through (m) of paragraph 9.1 are for the benefit of, and may be waived by, Buyer, and may be elsewhere herein referred to as "**Buyer's Contingencies.**"

9.3 If any of Buyer's Contingencies or any other matter subject to Buyer's approval is disapproved as provided for herein in a timely manner ("**Disapproved Item**"), Seller shall have the right within 10 days following the receipt of notice of Buyer's disapproval to elect to cure such Disapproved Item prior to the Expected Closing Date ("**Seller's Election**"). Seller's failure to give to Buyer within such period, written notice of Seller's commitment to cure such Disapproved Item on or before the Expected Closing Date shall be conclusively presumed to be Seller's Election not to cure such Disapproved Item. If Seller elects, either by written notice or failure to give written notice, not to cure a Disapproved Item, Buyer shall have the right, within 10 days after Seller's Election to either accept title to the Property subject to such Disapproved Item, or to terminate this Agreement. Buyer's failure to notify Seller in writing of Buyer's election to accept title to the Property subject to the Disapproved Item without deduction or offset shall constitute Buyer's election to terminate this Agreement. The above time periods only apply once for each Disapproved Item. Unless expressly provided otherwise herein, Seller's right to cure shall not apply to the remediation of Hazardous Substance Conditions or to the Financing Contingency. Unless the Parties mutually instruct otherwise, if the time periods for the satisfaction of contingencies or for Seller's and Buyer's elections would expire on a date after the Expected Closing Date, the Expected Closing Date shall be deemed extended for 3 business days following the expiration of: (a) the applicable contingency period(s), (b) the period within which the Seller may elect to cure the Disapproved Item, or (c) if Seller elects not to cure, the period within which Buyer may elect to proceed with this transaction, whichever is later.

9.4 The Parties acknowledge that extensive local and Federal legislation is in place and/or user of real property for the investigation and remediation of Hazardous Substances. The determination of the existence of a Hazardous Substance Condition and the evaluation of the impact of such a condition are highly technical and beyond the expertise of Brokers. The Parties acknowledge that they have been advised by Brokers to consult their own technical and legal experts with respect to the possible presence of Hazardous Substances on the Property or adjoining properties, and Buyer and Seller are not relying upon any investigation by or statement of Brokers with respect thereto. The Parties hereby assume all responsibility for the impact of such Hazardous Substances upon their respective interests herein.

10. Documents and Other Items Required at or Before Closing.

10.1 Five days prior to the Closing date Escrow Holder shall obtain an updated Title Commitment concerning the Property from the Title Company and provide copies thereof to each of the Parties.

10.2 Seller shall deliver to Escrow Holder in time for delivery to Buyer at the Closing:

- (a) Grant or general warranty deed, duly executed and in recordable form, conveying fee title to the Property to Buyer.
- (b) If applicable, the Beneficiary Statements concerning Existing Note(s).
- (c) If applicable, the Existing Leases and Other Agreements together with duly executed assignments thereof by Seller and Buyer. The assignment of Existing Leases shall be on the most recent Assignment and Assumption of Lessor's Interest in Lease form published by the AIR or its equivalent.
- (d) An affidavit executed by Seller to the effect that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Internal Revenue Service such sum as is required by applicable Federal law with respect to purchases from foreign sellers.

(e) If the Property is located in California, an affidavit executed by Seller to the effect that Seller is not a "nonresident" within the meaning of California Revenue and Tax Code Section 18662 or successor statutes. If Seller does not provide such affidavit in form reasonably satisfactory to Buyer at least 3 business days prior to the Closing, Escrow Holder shall at the Closing deduct from Seller's proceeds and remit to the Franchise Tax Board such sum as is required by such statute.

- (f) If applicable, a bill of sale, duly executed, conveying title to any included personal property to Buyer.
- (g) If the Seller is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the sale of the Property.

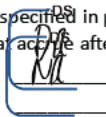
10.3 Buyer shall deliver to Seller through Escrow:

(a) The cash portion of the Purchase Price and such additional sums as are required of Buyer under this Agreement shall be deposited by Buyer with Escrow Holder, by federal funds wire transfer, or any other method acceptable to Escrow Holder in immediately collectable funds, no later than 2:00 P.M. on the business day prior to the Expected Closing Date provided, however, that Buyer shall not be required to deposit such monies into Escrow if at the time set for the deposit of such monies Seller is in default or has indicated that it will not perform any of its obligations hereunder. Instead, in such circumstances in order to reserve its rights to proceed Buyer need only provide Escrow with evidence establishing that the required monies were available.

(b) If a Purchase Money Note and Purchase Money Deed of Trust are called for by this Agreement, the duly executed originals of those documents, the Purchase Money Deed of Trust being in recordable form, together with evidence of fire insurance on the improvements in the amount of the full replacement cost naming Seller as a mortgage loss payee, and a real estate tax service contract (at Buyer's expense), assuring Seller of notice of the status of payment of real property taxes during the life of the Purchase Money Note.

- (c) The Assignment and Assumption of Lessor's Interest in Lease form specified in paragraph 10.2(c) above, duly executed by Buyer.
- (d) Assumptions duly executed by Buyer of the obligations of Seller that accrue after Closing under any Other Agreements.


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(e) If applicable, a written assumption duly executed by Buyer of the loan documents with respect to Existing Notes.

(f) If the Buyer is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the purchase of the Property.

10.4 At Closing, Escrow Holder shall cause to be issued to Buyer a standard coverage (or ALTA extended, if elected pursuant to 9.1(g)) owner's form policy of title insurance effective as of the Closing, issued by the Title Company in the full amount of the Purchase Price, insuring title to the Property vested in Buyer, subject only to the exceptions approved by Buyer. In the event there is a Purchase Money Deed of Trust in this transaction, the policy of title insurance shall be a joint protection policy insuring both Buyer and Seller.

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

11. Prorations and Adjustments.

11.1 *Taxes.* Applicable real property taxes and special assessment bonds shall be prorated through Escrow as of the date of the Closing, based upon the latest tax bill available. The Parties agree to prorate as of the Closing any taxes assessed against the Property by supplemental bill levied by reason of events occurring prior to the Closing. Payment of the prorated amount shall be made promptly in cash upon receipt of a copy of any supplemental bill.

11.2 *Insurance.* **WARNING:** Any insurance which Seller may have maintained will terminate on the Closing. Buyer is advised to obtain appropriate insurance to cover the Property.

11.3 *Rentals, Interest and Expenses.* Scheduled rentals, interest on Existing Notes, utilities, and operating expenses shall be prorated as of the date of Closing. The Parties agree to promptly adjust between themselves outside of Escrow any rents received after the Closing.

11.4 *Security Deposit.* Security Deposits held by Seller shall be given to Buyer as a credit to the cash required of Buyer at the Closing.

11.5 *Post Closing Matters.* Any item to be prorated that is not determined or determinable at the Closing shall be promptly adjusted by the Parties by appropriate cash payment outside of the Escrow when the amount due is determined.

11.6 *Variations in Existing Note Balances.* In the event that Buyer is purchasing the Property subject to an Existing Deed of Trust(s), and in the event that a Beneficiary Statement as to the applicable Existing Note(s) discloses that the unpaid principal balance of such Existing Note(s) at the closing will be more or less than the amount set forth in paragraph 3.1(c) hereof ("**Existing Note Variation**"), then the Purchase Money Note(s) shall be reduced or increased by an amount equal to such Existing Note Variation. If there is to be no Purchase Money Note, the cash required at the Closing per paragraph 3.1(a) shall be reduced or increased by the amount of such Existing Note Variation.

11.7 *Variations in New Loan Balance.* In the event Buyer is obtaining a New Loan and the amount ultimately obtained exceeds the amount set forth in paragraph 5.1, then the amount of the Purchase Money Note, if any, shall be reduced by the amount of such excess.

11.8 *Owner's Association Fees.* Escrow Holder shall: (i) bring Seller's account with the association current and pay any delinquencies or transfer fees from Seller's proceeds, and (ii) pay any up front fees required by the association from Buyer's funds.

12. Representations and Warranties of Seller and Disclaimers.

12.1 Seller's warranties and representation shall survive the Closing delivery of the deed for a period of 3 years, and any lawsuit or action based upon them must be commenced within such time period. Seller's warranties and representations are true, material and rely upon Buyer and Brokers in all respects. Seller hereby makes the following warranties and representations to Buyer and Brokers:

(a) *Authority of Seller.* Seller is the owner of the Property and/or has the full right, power and authority to sell, convey and transfer the Property to Buyer as provided herein, and to perform Seller's obligations hereunder.

(b) *Maintenance During Escrow and Equipment Condition At Closing.* Except as otherwise provided in paragraph 9.1(n) hereof, Seller shall maintain the Property until the Closing in its present condition, ordinary wear and tear excepted.

(c) *Hazardous Substances/Storage Tanks.* Seller has no knowledge, except as otherwise disclosed to Buyer in writing, of the existence or prior existence on the Property of any Hazardous Substance, nor of the existence or prior existence of any above or below ground storage tank.

(d) *Compliance.* Except as otherwise disclosed in writing, Seller has no knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency or casualty insurance company requiring any investigation, remediation, repair, maintenance or improvement be performed on the Property.

(e) *Changes in Agreements.* Prior to the Closing, Seller will not violate or modify any Existing Lease or Other Agreement, or create any new leases or other agreements affecting the Property, without Buyer's written approval, which approval will not be unreasonably withheld.

(f) *Possessory Rights.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.

(g) *Mechanics' Liens.* There are no unsatisfied mechanics' or materialmen's lien rights concerning the Property.

(h) *Actions, Suits or Proceedings.* Seller has no knowledge of any actions, suits or proceedings pending or threatened before any commission, board, bureau, agency, arbitrator, court or tribunal that would affect the Property or the right to occupy or utilize same.

(i) *Notice of Changes.* Seller will promptly notify Buyer and Brokers in writing of any Material Change (see paragraph 9.1(o)) affecting the Property that becomes known to Seller prior to the Closing.

(j) *No Tenant Bankruptcy Proceedings.* Seller has no notice or knowledge that any tenant of the Property is the subject of a bankruptcy or insolvency proceeding.

(k) *No Seller Bankruptcy Proceedings.* Seller is not the subject of a bankruptcy, insolvency or probate proceeding.


(l) *Personal Property.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement or otherwise in writing to Buyer.

12.2 Buyer hereby acknowledges that, except as otherwise stated in this Agreement, Buyer is purchasing the Property in its existing condition and will, by the time called for herein, make or have waived all inspections of the Property Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Property. The Parties acknowledge that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, assurances, oral or written, concerning the Property, or any aspect of the occupational safety and health laws, Hazardous Substance laws, or any other act, ordinance or law, have been made by either Party or Brokers, or relied upon by either Party hereto.

12.3 In the event that Buyer learns that a Seller representation or warranty might be untrue prior to the Closing, and Buyer elects to purchase the Property anyway then, and in that event, Buyer waives any right that it may have to bring an action or proceeding against Seller or Brokers regarding said representation or warranty.

12.4 Any environmental reports, soils reports, surveys, and other similar documents which were prepared by third party consultants and provided to Buyer by


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Seller or Seller's representatives, have been delivered as an accommodation to Buyer and without any representation or warranty as to the sufficiency, accuracy, completeness, and/or validity of said documents, all of which Buyer relies on at its own risk. Seller believes said documents to be accurate, but Buyer is advised to retain appropriate consultants to review said documents and investigate the Property.

13. Possession.

Possession of the Property shall be given to Buyer at the Closing subject to the rights of tenants under Existing Leases.

14. Buyer's Entry.

At any time during the Escrow period, Buyer, and its agents and representatives, shall have the right at reasonable times and subject to rights of tenants, to enter upon the Property for the purpose of making inspections and tests specified in this Agreement. No destructive testing shall be conducted, however, without Seller's prior approval which shall not be unreasonably withheld. Following any such entry or work, unless otherwise directed in writing by Seller, Buyer shall return the Property to the condition it was in prior to such entry or work, including the re-compaction or removal of any disrupted soil or material as Seller may reasonably direct. All such inspections and tests and any other work conducted or materials furnished with respect to the Property by or for Buyer shall be paid for by Buyer as and when due and Buyer shall indemnify, defend, protect and hold harmless Seller and the Property of and from any and all claims, liabilities, losses, expenses (including reasonable attorneys' fees), damages, including those for injury to person or property, arising out of or relating to any such work or materials or the acts or omissions of Buyer, its agents or employees in connection therewith.

15. Further Documents and Assurances.

The Parties shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the Escrow in condition for Closing as and when required by this Agreement. The Parties agree to provide all further information, and to execute and deliver all further documents, reasonably required by Escrow Holder or the Title Company.

16. Attorneys' Fees.

If any Party or Broker brings an action or proceeding (including arbitration) involving the Property whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees and costs. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred.

17. Prior Agreements/Amendments.

17.1 This Agreement supersedes any and all prior agreements between Seller and Buyer regarding the Property.

17.2 Amendments to this Agreement are effective only if made in writing and executed by Buyer and Seller.

18. Broker's Rights.

18.1 If this sale is not consummated due to the default of either the Buyer or Seller, the defaulting Party shall be liable to and shall pay to Brokers the Brokerage Fee that Brokers would have received had the sale been consummated. If Buyer is the defaulting party, payment of said Brokerage Fee is in addition to any obligation with respect to liquidated or other damages.

18.2 Upon the Closing, Brokers are authorized to publicize the facts of this transaction.

19. Notices.

19.1 Whenever any Party, Escrow Holder or Brokers herein shall desire to give or serve any notice, demand, request, approval, disapproval or other communication, each such communication shall be in writing and shall be delivered personally, by messenger, or by mail, postage prepaid, to the address set forth in this agreement or by facsimile transmission, electronic signature, digital signature, or email.

19.2 Service of any such communication shall be deemed made on the date of actual receipt if personally delivered, or transmitted by facsimile transmission, electronic signature, digital signature, or email. Any such communication sent by regular mail shall be deemed given 48 hours after the same is mailed. Communications sent by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed delivered 24 hours after delivery of the same to the Postal Service or courier. If such communication is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

19.3 Any Party or Broker hereto may from time to time, by notice in writing, designate a different address to which, or a different person or additional persons to whom, all communications are thereafter to be made.

20. Duration of Offer.

20.1 If this offer is not accepted by Seller on or before 5:00 P.M. according to the time standard applicable to the city of Oakland on the date of September 7, 2022, it shall be deemed automatically revoked.

20.2 The acceptance of this offer, or of any subsequent counteroffer hereto, that creates an agreement between the Parties as described in paragraph 1.2, shall be deemed made upon delivery to the other Party or either Broker herein of a duly executed writing unconditionally accepting the last outstanding offer or counteroffer.

21. LIQUIDATED DAMAGES. (This Liquidated Damages paragraph is applicable only if initialed by both Parties.)

THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX, PRIOR TO SIGNING THIS AGREEMENT, THE ACTUAL DAMAGES WHICH WOULD BE SUFFERED BY SELLER IF BUYER FAILS TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT. THEREFORE, IF, AFTER THE SATISFACTION OR WAIVER OF ALL CONTINGENCIES PROVIDED FOR THE BUYER'S BENEFIT, BUYER BREACHES THIS AGREEMENT, SELLER SHALL BE ENTITLED TO LIQUIDATED DAMAGES IN THE AMOUNT OF . UPON PAYMENT OF SAID SUM TO SELLER, BUYER SHALL BE RELEASED FROM ANY FURTHER LIABILITY TO SELLER, AND ANY ESCROW CANCELLATION FEES AND TITLE COMPANY CHARGES SHALL BE PAID BY SELLER.

NA
Buyer's Initials

DS DA DS NA
Seller's Initials

22. ARBITRATION OF DISPUTES. (This Arbitration of Disputes paragraph is applicable only if initialed by both Parties.)

NA
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22.1 ANY CONTROVERSY AS TO WHETHER SELLER IS ENTITLED TO LIQUIDATED DAMAGES AND/OR BUYER IS ENTITLED TO THE RETURN OF THE DEPOSIT SHALL BE DETERMINED BY BINDING ARBITRATION ADMINISTERED BY THE JUDICIAL ARBITRATION & MEDIATION SERVICES, INC. ("JAMS") IN ACCORDANCE WITH ITS COMMERCIAL ARBITRATION RULES ("COMMERCIAL RULES"). ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED. SUCH CONTROVERSY SHALL BE ARBITRATED BY A SINGLE ARBITRATOR, APPOINTED UNDER THE COMMERCIAL RULES WHO HAS HAD AT LEAST 5 YEARS OF EXPERIENCE IN THE TYPE OF REAL ESTATE THAT IS THE SUBJECT OF THIS AGREEMENT. THE ARBITRATOR SHALL HEAR AND DETERMINE SAID CONTROVERSY IN ACCORDANCE WITH APPLICABLE LAW OF THE JURISDICTION WHERE THE PROPERTY IS LOCATED, THE INTENTION OF THE PARTIES AS EXPRESSED IN THIS AGREEMENT AND ANY AMENDMENTS THERETO, AND UPON THE EVIDENCE PRODUCED AT AN ARBITRATION HEARING. PRE-ARBITRATION DISCOVERY SHALL BE PERMITTED IN ACCORDANCE WITH THE COMMERCIAL RULES OR STATE LAW APPLICABLE TO ARBITRATION PROCEEDINGS. THE ARBITRATOR SHALL RENDER AN AWARD WITHIN 30 DAYS AFTER THE CONCLUSION OF THE HEARING, WHICH MAY INCLUDE ATTORNEYS' FEES AND COSTS TO THE PREVAILING PARTY PER PARAGRAPH 16 HEREOF AND SHALL BE ACCOMPANIED BY A REASONED OPINION. THE FAILURE OR REFUSAL OF A PARTY TO PAY SUCH PARTY'S REQUIRED SHARE OF THE DEPOSITS FOR ARBITRATOR COMPENSATION OR ADMINISTRATIVE CHARGES SHALL CONSTITUTE A WAIVER BY SUCH PARTY TO PRESENT EVIDENCE OR CROSS-EXAMINE WITNESSES, BUT SUCH WAIVER SHALL NOT ALLOW FOR A DEFAULT JUDGMENT AGAINST THE NON-PAYING PARTY IN THE ABSENCE OF EVIDENCE AND LEGAL ARGUMENT AS THE ARBITRATOR MAY REQUIRE FOR MAKING AN AWARD. JUDGMENT MAY BE ENTERED ON THE AWARD IN ANY COURT OF COMPETENT JURISDICTION NOTWITHSTANDING THE FAILURE OF A PARTY DULY NOTIFIED OF THE ARBITRATION HEARING TO APPEAR THEREAT.

22.2 BUYER'S RESORT TO OR PARTICIPATION IN SUCH ARBITRATION PROCEEDINGS SHALL NOT BAR SUIT IN A COURT OF COMPETENT JURISDICTION BY THE BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE UNLESS AND UNTIL THE ARBITRATION RESULTS IN AN AWARD TO THE SELLER OF LIQUIDATED DAMAGES, IN WHICH EVENT SUCH AWARD SHALL ACT AS A BAR AGAINST ANY ACTION BY BUYER FOR DAMAGES AND/OR SPECIFIC PERFORMANCE.

22.3 NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.



Buyer's Initials



Seller's Initials

23. Miscellaneous.

23.1 **Binding Effect.** This Agreement shall bind the Parties without regard to whether paragraphs 21 and 22 are initialed by both of the Parties. Paragraphs 21 and 22 are each incorporated into this Agreement only if initialed by both Parties at the time that the Agreement is executed. Signatures to this Agreement accomplished by means of electronic signature or similar technology shall be legal and binding.

23.2 **Applicable Law.** This Agreement shall be governed by, and paragraph 22.3 is amended to refer to, the laws of the state in which the Property is located. Any litigation or arbitration between the Parties hereto concerning this Agreement shall be initiated in the county in which the Property is located.

23.3 **Time of Essence.** Time is of the essence of this Agreement.

23.4 **Counterparts.** This Agreement may be executed by Buyer and Seller in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Escrow Holder, after verifying that the counterparts are identical except for the signatures, is authorized and instructed to combine the signed signature pages on one of the counterparts, which shall then constitute the Agreement.

23.5 **Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

23.6 **Conflict.** Any conflict between the printed provisions of this Agreement and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions. **Seller and Buyer must initial any and all handwritten provisions.**

23.7 **1031 Exchange.** Both Seller and Buyer agree to cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange. The cooperating Party shall not have any liability (special or otherwise) for damages to the exchanging Party in the event that the sale is delayed and/or that the sale otherwise fails to qualify as a 1031 exchange.

23.8 **Days.** Unless otherwise specifically indicated to the contrary, the word "days" as used in this Agreement shall mean and refer to calendar days.

24. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

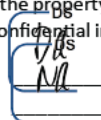
24.1 The Parties and Brokers agree that their relationship(s) shall be governed by the principles set forth in the applicable sections of the California Civil Code, as summarized in paragraph 24.2.

24.2 When entering into a discussion with a real estate agent regarding a real estate transaction, a Buyer or Seller should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Buyer and Seller acknowledge being advised by the Brokers in this transaction, as follows:

(a) **Seller's Agent.** A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or subagent has the following affirmative obligations: (1) *To the Seller:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(b) **Buyer's Agent.** A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations. (1) *To the Buyer:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer. (2) *To the Buyer and the Seller:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the


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affirmative duties set forth above.

(c) *Agent Representing Both Seller and Buyer.* A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer. (1) In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Seller or the Buyer. b. Other duties to the Seller and the Buyer as stated above in their respective sections (a) or (b) of this paragraph 24.2. (2) In representing both Seller and Buyer, the agent may not, without the express permission of the respective Party, disclose to the other Party confidential information, including, but not limited to, facts relating to either Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including Seller's willingness to accept a price less than the listing price or Buyer's willingness to pay a price greater than the price offered. (3) The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect their own interests. Buyer and Seller should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Buyer has the duty to exercise reasonable care to protect Buyer, including as to those facts about the Property which are known to Buyer or within Buyer's diligent attention and observation. Both Seller and Buyer should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

(d) *Further Disclosures.* Throughout this transaction Buyer and Seller may receive more than one disclosure, depending upon the number of agents assisting in the transaction. Buyer and Seller should each read its contents each time it is presented, considering the relationship between them and the real estate agent in this transaction and that disclosure. Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer representation agreement or separate document. Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties that may be of interest to this Buyer. Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this transaction may be brought against Broker more than one year after the Date of Agreement and that the liability (including court costs and attorneys' fees), of any Broker with respect to any breach of duty, error or omission relating to this Agreement shall not exceed the fee received by such Broker pursuant to this Agreement; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

24.3 *Confidential Information.* Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

25. **Construction of Agreement.** In construing this Agreement, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Agreement. Whenever required by the context, the singular shall include the plural and vice versa. This Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

26. **Additional Provisions.**

Additional provisions of this offer, if any, are as follows or are attached here by an addendum or addendum containing paragraph 28 through 30. (If there are no additional provisions write "NONE".)

SEE ADDENDUM

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS AGREEMENT OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:
1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS AGREEMENT.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PROPERTY. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PROPERTY, THE INTEGRITY AND CONDITION OF ANY STRUCTURES AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PROPERTY FOR BUYER'S INTENDED USE.

WARNING: IF THE PROPERTY IS LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THIS AGREEMENT MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED.

NOTE:

- 1. THIS FORM IS NOT FOR USE IN CONNECTION WITH THE SALE OF RESIDENTIAL PROPERTY.
- 2. IF EITHER PARTY IS A CORPORATION, IT IS RECOMMENDED THAT THIS AGREEMENT BE SIGNED BY TWO CORPORATE OFFICERS.

The undersigned Buyer offers and agrees to buy the Property on the terms and conditions stated and acknowledges receipt of a copy hereof.

Date: 09/06/2022

BROKER

California Capital & Investment Group

Attn: Gary Bettencourt & Michael McGuire

Title: _____

Address: _____

Phone: _____

Fax: _____

Email: _____

NA

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OFA-20.20, Revised 10-22-2020

BUYER

Teranomic, a California Corporation or Assignee

By: Nasser Azimi
Name Printed: Nasser Azimi

Title: President

Phone: _____

Fax: _____

Email: _____

NA

INITIALS

Last Edited: 9/6/2022 3:12 PM

Page 9 of 10

Federal ID No.: _____
Broker DRE License #: 01884628
Agent DRE License #: 00880217 & 01790296

By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Address: _____
Federal ID No.: _____

27. Acceptance.

27.1 Seller accepts the foregoing offer to purchase the Property and hereby agrees to sell the Property to Buyer on the terms and conditions therein specified.

27.2 In consideration of real estate brokerage service rendered by **Gary Bettencourt & Michael McGuire of California Capital & Investment Group** ("**Broker**")-~~Brokers~~, Seller agrees to pay ~~Brokers~~ a real estate Brokerage Fee in a sum equal to _____ % of the Purchase Price. ~~to be divided between the Brokers as follows: Seller's Broker _____ % and Buyer's Broker _____ %~~. This Agreement shall serve as an irrevocable instruction to Escrow Holder to pay such Brokerage Fee to Brokers out of the proceeds accruing to the account of Seller at the Closing.

27.3 Seller acknowledges receipt of a copy hereof and authorizes Brokers to deliver a signed copy to Buyer.

NOTE: A PROPERTY INFORMATION SHEET IS REQUIRED TO BE DELIVERED TO BUYER BY SELLER UNDER THIS AGREEMENT.

Date: 9/6/2022 9/6/2022

BROKER

California Capital & Investment Group
Attn: Gary Bettencourt & Michael McGuire
Title: _____
Address: _____
Phone: _____
Fax: _____
Email: _____
Federal ID No.: _____
Broker DRE License #: _____
Agent's DRE License #: 00880217 & 01790296

SELLER

Daniel C Alipaz & Nancy A Alipaz
DocuSigned by:
By: Daniel Alipaz
Name Printed: Daniel Alipaz
Title: Spouse
Phone: _____
Fax: _____
Email: _____
DocuSigned by:
By: Nancy Alipaz
Name Printed: Nancy Alipaz
Title: Spouse
Phone: _____
Fax: _____
Email: _____

Address: _____
Federal ID No.: _____

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ADDENDUM TO THE STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR PURCHASE OF REAL ESTATE

Date: 9/6/2022

By and Between

Buyer: Teranomic, a California Corporation or Assignee

Seller: Daniel C Alipaz & Nancy A Alipaz

Property Address: 3838 Grand Avenue, Oakland, Ca
(street address, city, state, zip)

28. As-Is Sale: This is an "As-Is" sale and Seller shall not be responsible for any upgrades or repairs to the Property, or price reduction because of building or site discrepancies discovered by the Buyer during its Due Diligence Period.

29. Governmental Required Upgrades: All work, costs and fee's associated with mandatory governmental required upgrades and fee's associated with this transaction shall be paid for by the Buyer, except that any costs related to mandatory sidewalk upgrades required by the Oakland sidewalk repair ordinance or any costs associated with mandatory upgrades to the sewer lateral required by the Alameda County private sewer lateral ordinance shall be split 50/50 by the Buyer and Seller. During the Buyer's Contingency period, the costs for any necessary upgrades/replacements to the sewer lateral and sidewalk shall be determined and mutually agreed upon between Buyer and Seller. The Purchase Price shall be reduced by half of the mutually agreed upon total cost for any required upgrades/replacements to the sewer lateral or sidewalk. The Buyer shall have the responsibility for performing the required work for any upgrades/replacements to the sewer lateral or sidewalk following the close of escrow.

30. Historical Landmark: Buyer shall make the determination during its Due Diligence Period if the Property is a historic landmark or has any historic designation which may impact the use or future development of the Property. Seller has no knowledge or correspondence related to the property being a historic landmark.

This Addendum is attached and made part of the above-referenced Agreement (said Agreement and the Addendum are hereinafter collectively referred to as the "Agreement"). In the event of any conflict between the provisions of this Addendum and the printed provisions of the Agreement, this Addendum shall control.

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