



AGENDA
SPECIAL MEETING OF THE OVERSIGHT BOARD FOR THE
SUCCESSOR AGENCY CITY OF CONCORD

Tuesday, October 11, 2016

10:00a.m.

Permit Center Conference Room
1950 Parkside Drive, Concord

Oversight Board Members:

Ray Pyle, Diablo Valley College	John Hild, CCC Office of Education
Greg Sawyer, CCC Fire Protection Dist.	Howard Jenkins, Concord Resident
Karen Mitchoff, Contra Costa County Supervisor, District IV	Joan Ryan, City of Concord

I. ROLL CALL

II. PUBLIC COMMENT PERIOD

(This is the time set aside for comment on any matter not listed on the agenda. We request all speakers complete a blue speaker card.)

II. OATH OF OFFICE – Joelle Fockler, Concord City Clerk

III. APPROVAL OF JANUARY 25, 2016 MEETING MINUTES

V. OVERSIGHT BOARD CONSIDERATION ITEM(S): - John Montag

A. Election of Oversight Board Chairperson and Vice Chairperson

B. Adopt Oversight Board Resolution No. 16- 034 approving the purchase and sale of 1601 Sutter Street (APN 126-045-012)

VI. ADJOURNMENT

NOTICE TO PUBLIC

ADA ACCOMMODATION

In accordance with the Americans with Disabilities Act and California Law, it is the policy of the City of Concord to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require a copy of a public hearing notice, or an agenda and/or agenda packet in an appropriate alternative format; or if you require other accommodation, please contact the ADA Coordinator at (925) 671-3025, at least five (5) days in advance of the hearing. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

SPEAKER'S CARD

Members of the audience who wish to address the Oversight Board are requested to complete a speaker's card available in the Permit Center Conference Room. Submit the completed card to staff before the item is called, preferably before the meeting begins.

PUBLIC COMMENT

This is the time set aside for public comment on any matter not listed on the agenda. A completed Speaker's Card inclusive of name and address is requested, and comments should be limited to three minutes.

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Board Member prior to the time Board votes on the motion to adopt.

CORRESPONDENCE

Correspondence and writings received within 72 hours of the scheduled Oversight Board for the Successor Agency City of Concord meeting that constitute a public record under the Public Records Act concerning any matter on the agenda is available for inspection during normal business hours at 1950 Parkside Drive, Concord. For additional information, contact John Montagh, Economic Development and Housing Manager, at (925) 671-3082.

ROUTINE AGENDA ITEMS AND CONTINUED ITEMS

All routine and continued items will be considered by the Oversight Board at the beginning of the meeting. There will not be separate discussions of these items unless a request is made prior to the time the Oversight Board considers the motions.



ANNOTATED AGENDA
SPECIAL MEETING OF THE OVERSIGHT BOARD FOR THE
REDEVELOPMENT AGENCY OF THE CITY OF CONCORD
SUCCESSOR AGENCY
Monday, January 25, 2016
9:00a.m.
Permit Center Conference Room
1950 Parkside Drive, Concord

Oversight Board Members:

Guy Bjerke, Contra Costa County	Dick Allen, CCC Office of Education
Greg Sawyer, CCC Fire Protection Dist.	Karen Mitchoff, Contra Costa County
Peter Garcia, Diablo Valley College	Supervisor, District IV
Howard Jenkins, Concord Resident	Joan Ryan, City of Concord

- I. ROLL CALL** – Dick Allen, Howard Jenkins, Guy Bjerke, Peter Garcia, Joan Ryan were present; Greg Sawyer and Karen Mitchoff absent.
- II. PUBLIC COMMENT PERIOD** – None from the Public
(This is the time set aside for comment on any matter not listed on the agenda. We request all speakers complete a blue speaker card.)
- III. APPROVAL OF NOVEMBER 19, 2015 MEETING MINUTES**
- ACTION:** Minutes approved 5-0 (Sawyer and Mitchoff Absent)
- IV. OVERSIGHT BOARD CONSIDERATION ITEM(S):**
- A. Adopt Resolution No. 16-033 approving the Recognized Obligation Payment Schedule (16-17) for the period of July 1, 2016 through June 30, 2017 of the Successor Agency to the Redevelopment Agency of the City of Concord.**
- DISCUSSION:** Board discussed new schedule for entire fiscal year of. Because there should be less ROPS items as time moves forward, there is less need for multiple ROPS. ROPS will be reviewed and approved by Oversight Board annually in February by the Department of Finance. Any amendments needing to be made to ROPS must be completed and submitted to DoF prior to October 1st.
- ACTION:** Board approved the adoption of Resolution 16-033 approving the FY2016-17 ROPS for the period of January 1, 2016- June 30, 2017 of the Redevelopment Agency to the City of Concord Successor Agency (5-0; Sawyer and Mitchoff absent)

V. LONG RANGE PROPERTY MANAGEMENT PLAN UPDATE

Staff provided an update on the Long Range Property Management Plan (LRPMP) in that the Department of Finance approved the plan as forwarded by the Oversight Board. This action means that the City of Concord will retain ownership of the downtown parking garage as a government purposed use. The Successor Agency will continue maintenance of the properties located at 1601 Sutter Street and 1956 Colfax until sold.

VI. ADJOURNMENT – 9:17am

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ROUTINE AGENDA ITEMS AND CONTINUED ITEMS

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**REPORT TO THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
CITY OF CONCORD:**

DATE: October 11, 2016

SUBJECT: Election of Oversight Board Chairperson and Vice Chairperson**Report in Brief**

AB 1X 26 requires that a Chair must be selected to preside over the Oversight Board for the Successor Agency City of Concord's meetings. While no other position is required by statute, staff has and continues to recommend that a Vice Chair also be selected to preside over the Oversight Board meetings in the event the Chair is unavailable.

At its April 25, 2016 meeting, the Oversight Board voted to Howard Jenkins as its Chair and Dick Allen as Vice Chair. Because there was an error with the public noticing/posting of the April 25 meeting, the actions taken by the Board have no effect and as a result this item is being reconsidered at this meeting.

Staff recommends selecting a Chair and Vice Chair for the Oversight Board.

Background

The law requires that the Oversight Board members elect a Chair and the Oversight Board must report the names of the Chair and other members to the State Department of Finance.

Discussion

All Oversight Board actions must be taken on a majority vote of the total membership of the Board. Given that the Oversight Board has seven (7) members, four (4) affirmative votes are needed to take action.

The Board's Bylaws set forth that the Chair and Vice Chair shall be elected from among the members of the Board at each annual meeting held in April. Each officer shall hold office until the next annual meeting of the Board following his/her election and until his/her successor is elected and in office.

The Chair/Vice Chair should request those who are interested in serving as Chair to nominate themselves or others. Names will be then be considered by the Board and action taken. The Board should then consider nominating and taking action on the Vice Chair. The Board should then take action on this matter.

Public Contact

Agenda posted.

Recommendation for Action

Staff recommends electing one member to serve as Chair and another member to serve as Vice Chair of the Oversight Board for the Successor Agency City of Concord.

Prepared by: John Montagh
Econ. Dev. & Housing Manager
john.montagh@cityofconcord.org

**REPORT TO THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
FOR THE REDEVELOPMENT AGENCY OF THE CITY OF CONCORD:**

DATE: October 11, 2016

SUBJECT: Adopt Resolution 16-034 approving an Agreement of Purchase and Sale and Initial Escrow Instructions Between the Successor Agency, as Seller, and Rose Family Properties, as Buyer, for 1601 Sutter Street, Concord, CA (APN 126-045-012)**Report in Brief**

Before its dissolution in 2012, the Concord Redevelopment Agency (“RDA”) owned several properties in the City of Concord (“City”). The disposition and use of those properties is described in the Successor Agency to the Concord Redevelopment Agency’s (“Successor Agency”) Long Range Property Management Plan (“LRPMP”). Among other things, the LRPMP provides for the sale of an approximately 9,600 square foot parcel located at 1601 Sutter Street (“Property”). The Property is improved with an approximately 3,600 square foot single story office building. The net sale proceeds will be remitted to the Contra Costa County Auditor Controller for distribution to the affected taxing entities.

The Successor Agency advertised the Property for sale on the City’s website and through area commercial brokerage firms from April 24, 2016 to May 24, 2016. The Property was listed for sale at an appraised value of \$500,000. The only offer the Successor Agency received for the Property was from Rose Family Properties, which offered \$475,000 in cash.

On September 13, 2016 the City Council sitting as the Successor Agency for the Redevelopment Agency of the City of Concord, adopted Resolution No. 16-780S approving the Purchase and Sale Agreement for 1601 Sutter Street (Attachment 1) with Rose Family Properties. In order for the sale to move forward, the Oversight Board needs to approve the Purchase and Sale. If the Oversight Board approves the Purchase and Sales agreement and the sale closes, the net proceeds from the sale would be sent to the County Auditor for disbursement to affected taxing entities.

Background

Pursuant to Assembly Bill x1 26 (Chapter 5, Statutes of 2011-12 First Ex. Session), as amended (the “Redevelopment Dissolution Act”), the RDA was dissolved as of February 1, 2012, and the Successor Agency succeeded to the RDA’s interests.

On August 7, 2013, the Successor Agency received a Finding of Completion from the Department of Finance (“DOF”), which allowed the Successor Agency to prepare and submit an Oversight Board-approved Long Range Property Management Plan (“LRPMP”) to the DOF for approval. The LRPMP set forth the manner in which the Successor Agency is to dispose of 14 properties formerly owned by the RDA. The

**Adopt Resolution 16-034 approving an Agreement of Purchase and Sale and Initial Escrow
Instructions Between the Successor Agency, as Seller, and Rose Family Properties,
as Buyer, for 1601 Sutter Street, Concord, CA (APN 126-045-012)**

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Oversight Board approved the LRPMP on November 19, 2015. Staff then submitted the LRPMP to DOF. On December 1, 2015, DOF notified the Successor Agency that the LRPMP was approved. The LRPMP authorizes the Successor Agency to transfer eight properties to the City for government purposes and four properties to the City for future development. It also authorizes the Successor Agency to sell two properties, including the Property.

The RDA acquired the Property in 1987. It is improved with a one story office building that includes multiple office spaces and common area kitchen. The RDA leased the Property to non-profit organizations and small tenants. However, the Property has been vacant for more than one year.

Discussion

Under the approved LRPMP, the Successor Agency is authorized to sell the Property. Staff initiated the sales process by posting the Property for sale for a 30 day period from April 27 through May 27, 2016 at its appraised value of \$500,000 on the City's website and by sending the notice of sale to prominent commercial real estate firms. At the close of the offer period, Rose Family Properties submitted a Letter of Intent that offered to purchase the Property for \$475,000 in cash. The Successor Agency received no other offers for the Property. Rose Family Properties intends to use the Property for the Mike Rose Auto Body administrative office. Mike Rose Auto Body is located directly to the west of the Property. The proposed Purchase and Sale Agreement's key deal points are as follows:

- \$475,000 all-cash offer;
- \$12,000 Deposit into escrow within three days of execution of Purchase and Sale Agreement;
- 30 days due diligence period from the Purchase and Sale Agreement's execution date; and
- Property to be purchased in "as is" condition.

The Property is zoned for High Density Residential uses. This zoning district allows for administrative office use with a conditional use permit. Rose Family Properties will seek a conditional use permit from the City and will have 120 days from the date on which the Oversight Board approves the Purchase and Sales Agreement to obtain a conditional use permit approval from the City in order to close on the property.

If the Oversight Board approves the Purchase and Sale Agreement and the transaction closes, the net proceeds will be remitted to the County Auditor Controller for distribution to the taxing entities in proportion to their respective shares of the property tax base.

**Adopt Resolution 16-034 approving an Agreement of Purchase and Sale and Initial Escrow
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as Buyer, for 1601 Sutter Street, Concord, CA (APN 126-045-012)**

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Environmental Review

The approval of the Purchase and Sale Agreement is exempt from CEQA because it does not constitute approval of a “Project,” as defined by Public Resources Code sections 21065 and 21080 or CEQA Guidelines sections 15352 and 15378. Moreover, any site-specific future projects would be subsequently analyzed to determine if the specific project would necessitate further environmental review.

Financial Impact

Affected taxing entities are expected to realize a positive financial impact from the Property’s sale. The Successor Agency will remit the net proceeds from the sale to the Contra Costa County Auditor Controller, which will distribute the net proceeds to the taxing entities in proportion to their shares of the property tax base. However, the amount the Successor Agency remits for distribution to the taxing entities will be reduced by (1) the Successor Agency’s attorneys’ fees in connection with the sale; (2) marketing costs; and (3) other carrying costs associated with the Property.

Public Contact

Agenda posted.

Recommendation for Action

Adopt Resolution 16-034 (Attachment 2) approving an Agreement of Purchase and Sale and initial escrow instructions between the Successor Agency, as seller, and Rose Family Properties, as buyer, for 1601 Sutter Street, Concord, CA (APN 126-045-012)

Prepared by: John Montagh
Econ. Dev. & Housing Manager
john.montagh@cityofconcord.org

Attachment 1: Purchase and Sales Agreement
Attachment 2: Oversight Board Resolution No. 16-034

**AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

**1601 Sutter Street
Concord, California**

This Agreement of Purchase and Sale and Joint Escrow Instructions (“**Agreement**”), dated for reference purposes only as of October 4, 2016, is entered into by and between ROSE FAMILY PROPERTIES, LLC, a California limited liability company (“**Buyer**”), and the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CONCORD, a public body (“**Seller**”). Buyer and Seller are sometimes referred to individually herein as a “**Party**” and collectively as the “**Parties**.”

Recitals

A. Seller is the owner of certain real property consisting of approximately 9,600 square feet located at 1601 Sutter Street, Concord, CA 94520 in the County of Contra Costa, State of California, and designated as Assessor’s Parcel No. 126-045-012 as more particularly described on Exhibit A attached hereto (“**Land**”), together with the approximately 3,600 square foot single story, multi-tenant office building located thereon (“**Building**” and, collectively with the Land, the “**Property**”). The Building is currently unoccupied and not leased to any tenants.

B. In accordance with the Long Range Property Management Plan approved by the Oversight Board to the Successor Agency to the Concord Redevelopment Agency (“**Oversight Board**”) by Resolution No. 15-032 on November 19, 2015, and approved by the California Department of Finance on December 1, 2015, Seller solicited proposals for the sale of the Property and Buyer responded with an offer to Purchase.

C. Buyer desires to purchase the Property from Seller and Seller desires to sell the Property to Buyer upon and subject to the terms, conditions and provisions set forth in this Agreement.

E. Execution and consummation of the Property transfer as contemplated hereunder is exempt from the California Environmental Quality Act of 1970, Public Resources Code §21000, *et seq.*, as amended, including under Public Resources Code Sections 21065, and CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations, Sections 15061(b)(3), 15352 and 15378.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties agree as follows:

Agreement

1. Purchase and Sale. Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, the Property on the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, the date on which Escrow Holder acknowledges in writing receiving a fully executed copy of this Agreement shall (subject to Section 3 below) be hereinafter referred to as the “**Effective Date.**”

2. Purchase Price. The purchase price (“**Purchase Price**”) for the Property shall be the amount of Four Hundred Seventy Five Thousand and No/100 Dollars (\$475,000.00). Buyer has the right to independently verify the square footage of the Land and the Building, and agrees that if the square footage varies from that recited in this Agreement or in any materials provided by Seller or any representative of Seller, such variation shall have no effect on the Purchase Price.

3. Conditional Effectiveness of Agreement.

(a) This Agreement shall become effective only upon the satisfaction of each of the following conditions (collectively, the “**Conditions Precedent to Effectiveness**”) within the time period set forth herein:

- (i) The City of Concord’s City Council, as governing board of Seller; and
- (ii) The Oversight Board shall have approved this Agreement.

(b) Seller shall use diligent good faith efforts to cause the foregoing Conditions Precedent to Effectiveness to be satisfied on or before the Outside Date (defined below); provided, however, if, notwithstanding Seller’s good faith diligent efforts, the Conditions Precedent to Effectiveness have not been satisfied on or before October 31, 2016, or such later date as the parties may mutually agree each in its sole discretion (the “**Outside Effectiveness Date**”), this Agreement shall automatically terminate at 5:00 pm on the Outside Effectiveness Date. If this Agreement is terminated pursuant to this Section 3, the Deposit (as defined below), including all accrued interest, shall be returned to Buyer (provided that Buyer has complied with the terms of Section 22(n) below), and, except as otherwise provided in this Agreement, Seller and Buyer will have no further obligations or rights to one another under this Agreement.

4. Payment of Purchase Price. The Purchase Price shall be payable by Buyer to Seller as follows:

(a) Deposit. No later than three business days following Buyer’s receipt of a letter from Seller certifying that the Documents and Materials (defined in Section 8(a)(viii)) have been delivered to Buyer, Buyer shall deposit with Old Republic Title Company, 1000 Burnett Avenue, Concord CA 94520 (“**Escrow Holder**”) Twelve Thousand and No/100 Dollars (\$12,000.00) in cash or other immediately available funds (“**Deposit**”). The Deposit shall be invested by Escrow Holder with a financial institution acceptable to Buyer in a federally-insured interest-bearing demand account and the Deposit and all interest accrued thereon shall be credited to the Purchase Price upon the Close of Escrow (as defined in Section 5(b), below). Upon expiration of the Contingency Period (as defined in Section 8(a)(i), below), the Deposit shall be immediately released to Seller, and except for a default by Seller, the Deposit shall become nonrefundable to Buyer.

(b) Balance of Purchase Price. On or before the Close of Escrow, Buyer shall deposit with Escrow Holder the balance of the Purchase Price, in immediately available funds, which shall be paid to Seller at Close of Escrow.

5. Escrow.

(a) Opening of Escrow. Within one business day after the date in the introductory paragraph of this Agreement, Buyer shall open escrow (“**Escrow**”) with Escrow Holder. Buyer and Seller agree to execute and deliver to Escrow Holder, in a timely manner, all supplemental escrow instructions necessary to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend or supersede any portion of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, this Agreement shall control. Escrow Holder shall, upon receipt of a fully executed copy of this Agreement, sign and date the Receipt by Escrow Holder attached hereto, and distribute it to all parties listed in the “Notices” section of the Agreement.

(b) Close of Escrow. The escrow for conveyance of the Property shall close (“**Close of Escrow**”) within thirty (30) days after the satisfaction, or waiver by the appropriate Party, of all of the Seller Conditions Precedent (defined in Section 8(b)) and all of the Buyer Conditions Precedent (defined in Section 8(a)), which shall occur prior to the Outside Date. The “**Outside Date**” shall be the date that is ninety (90) days after Final City Approval (defined below) of the Use Permit (defined below); provided, however, the Outside Date may be extended by mutual agreement of the Parties, each in its sole discretion. “**Final City Approval**” means the date the City Planning Commission approves Buyer’s application for a Use Permit (the “**Use Permit**”) or, if the Planning Commission’s approval is appealed to the City Council, the day that the City Council approves the Use Permit. If Closing does not occur on or before the Outside Date, as it may be extended as provided above, then this Agreement shall automatically terminate. For purposes of this Agreement, “**Closing**” shall mean the time and day the Grant Deed is recorded with the Contra Costa County Recorder. Notwithstanding any other provision hereof to the contrary, if Final City Approval of the Use Permit has not occurred by the 120th day following the date on which the Oversight Board approves this Agreement, this Agreement shall automatically terminate.

6. Conditions of Title. The Property shall be conveyed to Buyer by Seller by a grant deed, substantially in the form attached hereto as Exhibit B (“Grant Deed”), subject only to (a) liens to secure payment of current, unpaid real estate taxes and assessments; (b) such title matters (other than liens to secure payment of real estate taxes and assessments, including supplemental taxes) affecting the Property created by or with the written consent of Buyer; (c) all applicable laws, ordinances, rules and governmental regulations (including, but not limited to, those relative to building, zoning and land use) affecting the development, use, occupancy or enjoyment of the Property; (d) all matters which would be apparent from an inspection of the Property; (e) all matters which would be disclosed by a survey of the Property; and (f) exceptions which are approved and/or accepted by Buyer in accordance with Section 8(a)(i) of this Agreement (collectively, “**Approved Conditions of Title**”).

7. Title Policy. Title shall be evidenced by Escrow Holder’s title insurance underwriter (“**Title Company**”) issuing its standard California Land Title Association (“**CLTA**”) Owner’s Policy of Title Insurance to Buyer in an amount equal to the Purchase Price, showing title to the Property vested in Buyer, subject only to the Approved Conditions of Title (“**Title Policy**”). Buyer shall pay all expenses of issuing the Title Policy, including (if Buyer elects to have Escrow

Holder issue its American Land Title Association (“ALTA”) Extended Coverage Owner’s Policy of Title Insurance), the expense of such ALTA premium increment and any survey costs associated with such ALTA policy. In addition, Buyer shall pay for any endorsements to the Title Policy. Buyer’s ability to obtain an ALTA policy shall not be a condition to the Close of Escrow.

8. Conditions to Close of Escrow.

(a) **Buyer Conditions Precedent.** The Close of Escrow and Buyer’s obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions (or Buyer’s waiver in writing thereof) for Buyer’s benefit on or prior to the dates designated below for the satisfaction of such conditions (“**Buyer Conditions Precedent**”), or the Close of Escrow in the absence of a specified date:

(i) **Title.** Pursuant to the terms and conditions of this subsection, Buyer shall have the right to approve any and all matters of and exceptions to title of the Property, as disclosed by the following documents and instruments (collectively, “**Title Documents**”): (A) a Preliminary Report issued by Escrow Holder with respect to the Property; and (B) legible copies of all documents, whether recorded or unrecorded, referred to in such Preliminary Report. Seller shall cause Escrow Holder to deliver the Title Documents to Buyer within five calendar days following the Effective Date. Buyer shall have until 5:00 PM (local time) on the date that is *the later of* (x) 30 calendar days following the Effective Date or (y) ten calendar days following satisfaction of the Conditions Precedent to Effectiveness (as defined in Section 3, above) (“**Contingency Period**”) to give Seller and Escrow Holder written notice (“**Buyer’s Title Notice**”) of Buyer’s approval or disapproval of the Title Documents. The failure of Buyer to give Buyer’s Title Notice to Seller within the specified time period shall be deemed Buyer’s disapproval of the Title Documents. In the event that Buyer’s Title Notice disapproves, or is deemed to have disapproved, of any matter of title shown in the Title Documents, Seller shall, within five business days after Buyer’s Title Notice is received by Seller, give Buyer written notice (“**Seller’s Title Notice**”) of those disapproved title matters, if any, which Seller is unwilling or unable to have eliminated from title to the Property by the Close of Escrow. Seller’s failure to provide Seller’s Title Notice within said five business day period shall be deemed Seller’s election not to remove any of the disapproved exceptions in Buyer’s Title Notice. Notwithstanding the foregoing, Seller agrees to remove on the Close of Escrow all deeds of trust, if any, whereby Seller is the trustor or borrower that are currently recorded against the Property. If Seller is unable or unwilling to remove all of the title matters objected to by Buyer in Buyer’s Title Notice, or fails to deliver Seller’s Title Notice, Buyer shall have five business days from receipt of Seller’s Title Notice, or expiration of the time period within which Seller is to respond, to notify Seller in writing that either (1) Buyer is willing to purchase the Property, subject to such disapproved exceptions, or (2) Buyer elects to terminate this Agreement. Failure of Buyer to take either one of the actions described in clause (1) or (2) in the previous sentence shall be deemed to be Buyer’s election to take the action described in clause (2). If this Agreement is terminated pursuant to this Section 8(a)(i), the Deposit, including all accrued interest, shall be returned to Buyer (provided that Buyer has complied with the terms of Section 22(n) below), and, except as otherwise provided in this Agreement, Seller and Buyer will have no further obligations or rights to one another under this Agreement;

(ii) Inspections and Studies/Costs. During the Contingency Period, Buyer and Buyer's employees, agents, contractors, subcontractors and consultants (collectively, "**Buyer's Representatives**") shall have the right to enter upon the Property and conduct any and all non-destructive inspections, investigations, tests and studies (including, without limitation, investigations with regard to zoning, building codes and other governmental regulations, architectural inspections, engineering tests, economic feasibility studies and soils, seismic and geologic reports and environmental testing) with respect to the Property as Buyer may elect to make or maintain. The cost of any such inspections, tests and/or studies shall be borne by Buyer.

All such inspections, tests, and/or studies shall be conducted at reasonable times during ordinary business hours upon notice to Seller at least one business day prior to entry. Buyer, in performing its inspections, investigations, tests and studies hereunder shall not unreasonably interfere with the operation of the Property or any tenant, and agrees to coordinate its activities on the Property with Seller in advance to avoid any such interference. Following any such tests or inspections, Buyer agrees to promptly return any portions of the Property damaged or altered by Buyer during such tests or inspections to substantially the same condition which existed prior to such test or inspection.

Buyer shall indemnify, defend and hold Seller and the Property harmless from any and all claims, damages or liabilities arising out of or resulting from the entry onto or activities upon the Property by Buyer or Buyer's Representatives or liens arising from such activities. Buyer's obligation to indemnify Seller under the provisions of this Section 8 shall survive any termination of this Agreement, shall survive the Closing and shall not be merged upon delivery and acceptance of the Grant Deed or upon payment of the Purchase Price by Buyer to Seller. Prior to any entry on to the Property by any of Buyer's Representatives, Buyer shall deliver to Seller an endorsement to a commercial general liability insurance policy which evidences that such Buyer's Representative is carrying a commercial general liability insurance policy with a financially responsible insurance company acceptable to Seller, covering the activities of such Buyer's Representative on or upon the Property. Such endorsement shall evidence that such insurance policy shall have a per occurrence limit of at least One Million Dollars (\$1,000,000) and an aggregate limit of at least Three Million Dollars (\$3,000,000), shall name Seller as an additional insured, and shall be primary and non-contributing with any other insurance, self-insurance or joint self-insurance available to Seller.

Prior to the expiration of the Contingency Period, Buyer shall deliver to Seller and Escrow Holder written notice ("**Contingency Period Notice**") of its approval or disapproval of the Property and the Documents and Materials (as defined in Section 8(a)(viii), below). The Contingency Period Notice may, but need not, be combined with the Buyer's Title Notice. The Contingency Period Notice to the Escrow Holder shall be accompanied by the Natural Hazards Disclosure Statement (if not yet signed and returned to Seller). The failure of Buyer to timely deliver the Contingency Period Notice shall be deemed to constitute Buyer's disapproval of the Property and the Documents and Materials, in which case the Deposit, including all accrued interest, shall be returned to Buyer (provided that Buyer has complied with the terms of Section 22(n) below), and, except as otherwise provided in this Agreement, Seller and Buyer will have no further obligations or rights to one another under this Agreement.

If this Agreement is terminated pursuant to this subsection, Buyer shall deliver to Seller (y) the Documents and Materials delivered to Buyer by Seller, and (z) at no cost and without warranty as to correctness, copies of all reports, studies, maps and engineering studies that were generated by third parties for Buyer with respect to the Property, including, but not limited to, all environmental reports, surveys, marketing reports, geotechnical reports, lot studies and improvement plans;

(iii) Final City Approval. The Use Permit shall be final and non-appealable, and if any appeals, legal challenges, requests for rehearing, or referenda have been filed or instituted, such appeals, legal challenges, requests for rehearing, or referenda shall have been fully and finally resolved in a manner acceptable to Buyer in its sole discretion and the statute of limitations or other time limits applicable to any further appeals, legal challenges, requests for rehearing, or referenda have lapsed;

(iv) Title Insurance. As of the Close of Escrow, Title Company shall have committed to issue the Title Policy to Buyer;

(v) Seller's Representations. All representations and warranties made by Seller to Buyer in this Agreement shall be true and correct on the date hereof and shall be true and correct in all material respects as of the Close of Escrow;

(vi) Natural Hazards Disclosure Statement. No later than ten business days prior to the scheduled expiration of the Contingency Period, Seller shall deliver to Buyer a Natural Hazards Disclosure Statement for the Property. Buyer shall have approved the Natural Hazards Disclosure Statement and returned a signed copy thereof to Seller by the expiration of the Contingency Period;

(vii) Seller's Obligations. As of the Close of Escrow, Seller shall have performed all of the obligations required to be performed by Seller under this Agreement; and

(viii) Documents and Materials. Within ten calendar days after the Effective Date, Seller shall deliver to Buyer all of the documents and materials described on Exhibit C attached hereto, to the extent within Seller's possession or control ("**Documents and Materials**"). Upon delivery of the Documents and Materials, Seller shall deliver an acknowledgment letter to Buyer setting forth the date of compliance with this Section 8(a)(viii) and setting forth the list of Documents and Materials actually delivered to Buyer. Seller makes no representation or warranty as to the accuracy or completeness of any of the Documents and Materials which were not prepared by Seller.

(b) Seller Conditions Precedent. The Close of Escrow and Seller's obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions (or Seller's waiver thereof) for Seller's benefit on or prior to the dates designated below for the satisfaction of such conditions ("**Seller Conditions Precedent**"), or the Close of Escrow in absence of a specified date:

(i) Buyer's Obligations. Buyer shall have timely performed all of the obligations required to be performed by Buyer under this Agreement;

(ii) Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct on the date hereof and shall be true and correct in all material respects as of the Close of Escrow;

(iii) Purchase Price. Buyer shall have timely delivered the Purchase Price and other sums owing under this Agreement in good funds to Escrow Holder and fully, faithfully and timely performed all of its other obligations under this Agreement;

(iv) Natural Hazards Disclosure Statement. Prior to the end of the Contingency Period, Buyer shall have returned a signed copy of the Natural Hazards Disclosure Statement to the Seller; and

(v) Final City Approvals. The Use Permit shall be final and non-appealable, and if any appeals, legal challenges, requests for rehearing, or referenda have been filed or instituted, such appeals, legal challenges, requests for rehearing, or referenda shall have been fully and finally resolved in a manner acceptable to Seller in its sole discretion and the statutes of limitations or other time limits applicable to any further appeals, legal challenges, requests for rehearing, or referenda have lapsed.

(vi) Delegation of Authority. On behalf of Seller, the City Council hereby delegates authority to revise these escrow instructions, or draft additional escrow instructions, to the City Attorney.

(c) Failure of Condition to Close of Escrow. If any of the conditions set forth in Section 8(a) or Section 8(b) are not timely satisfied or waived by the appropriate benefited Party for a reason other than the default of Buyer or Seller, this Agreement shall terminate, and the Deposit, including all accrued interest, and all other monies delivered to Escrow Holder by Buyer shall be immediately returned to Buyer (provided that Buyer has complied with the requirements of Section 22(n) below), and except as otherwise provided herein, the Parties shall have no further obligations hereunder.

9. Deposits By Seller. At least one business day prior to the Close of Escrow, Seller shall deposit with Escrow Holder the following documents:

(a) Grant Deed. The Grant Deed, duly executed and acknowledged in recordable form by Seller, conveying fee simple title to the Property to Buyer.

(b) FIRPTA Certificate. A certification, acceptable to Escrow Holder, duly executed by Seller under penalty of perjury, setting forth Seller's address and federal tax identification number in accordance with and/or for the purpose of complying with the provisions of Sections 7701 and 1445, as may be amended, of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

(c) California Franchise Tax Withholding. A certification, acceptable to Escrow Holder, that Seller is exempt from the withholding provisions of the California Revenue and Taxation Code, as may be amended from time to time, and that neither Buyer nor Escrow Holder is required to withhold any amount from the Purchase Price pursuant to such provisions.

10. Deposits By Buyer. At least one business day prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder the balance of the Purchase Price (as adjusted by the Deposit and prorations provided for herein), in cash or other immediately available funds.

11. Costs and Expenses. As the Seller is a political subdivision of the State of California, it is a tax-exempt entity and shall not pay the City of Concord Real Property Transfer Tax, any real property or other taxes, or pay any bond or assessment that is a lien customarily paid with real property taxes; provided, however, that Seller shall pay any applicable documentary transfer taxes. Except as otherwise specified in this Agreement, Buyer shall pay all applicable closing costs, escrow fees, and title insurance costs, if any. Buyer and Seller shall each pay all legal and professional fees and fees of other consultants incurred by Buyer and Seller, respectively. Any costs incurred through the Escrow relating to the Property that are not specifically allocated to Buyer or Seller under this Agreement shall be apportioned in the manner customary in Contra Costa County.

12. Prorations.

(a) Taxes/Assessments. [Not applicable, as the Property is publicly owned.]

(b) Other Expenses. All expenses for the Property, including common area maintenance expenses, if any, shall be prorated as of 12:01 a.m. on the day of the Close of Escrow based upon the latest available information.

13. Corrections. If any errors or omissions are made regarding adjustments and prorations as set forth herein, the parties shall make the appropriate corrections promptly upon discovery thereof. If any estimates are made at the Close of Escrow regarding adjustments or prorations, the Parties shall make the appropriate correction promptly when accurate information becomes available. Any corrected adjustment or proration shall be paid in cash to the Party entitled thereto.

14. Condition of Property.

(a) Notwithstanding any other provision of this Agreement to the contrary, Seller makes no representation or warranty (except as expressly set forth in Section 16 below) whatsoever regarding the Property including, without limitation, as to:

(i) The size and dimensions of any portion of the Property;

(ii) The size and dimensions of the Building;

(iii) The suitability of the Property or Building for the Buyer's planned use, including availability and adequacy of water, sewage, fire protection, and any utilities serving the Property;

(iv) All matters relating to title including extent and conditions of title to the Property, taxes, assessments, and liens;

(v) All legal and governmental laws, statutes, rules, regulations, ordinances, restrictions or requirements concerning the Property, including zoning, use permit requirements and building codes;

(vi) Natural hazards, including flood plain issues, currently or potentially concerning or affecting the Property;

(vii) The physical, legal, economic and environmental condition and aspects of the Property, and all other matters concerning the condition, use or sale of the Property, including any permits, licenses, agreements, and liens, zoning reports, engineers' reports and studies and similar information relating to the Property, and Hazardous Materials (as defined below). "**Hazardous Materials**" means any and all substances, contaminants, chemicals, wastes, sewage, materials or emissions which are now or hereafter regulated, controlled, prohibited or otherwise affected by any present or future local, state or federal statute, ordinance, code, rule, regulation, order, decree, permit or other law now or hereafter in effect including (A) any substance defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," or "air pollutant" in (I) the Comprehensive Environmental Response, Compensation and Liability Act, as amended (CERCLA), 42 U.S.C. §9601, et seq., (II) the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq., (III) the Resource Conservation and Recovery Act, as amended (RCRA), 42 U.S.C. §6901, et seq., (IV) the Federal Water Pollution Control Act, as amended, 33 U.S.C. §1251, et seq., (V) the Clean Air Act, as amended, 42 U.S.C. §7401, et seq., (VI) the Toxic Substances Control Act, as amended, 15 U.S.C. §2601, et seq., (VII) the Clean Water Act, as amended, 33 U.S.C. §1251, et seq., (VIII) the Oil Pollution Act, as amended, 33 U.S.C. §2701, et seq., (IX) California Health & Safety Code ("**H&S Code**") §25100, et seq. (Hazardous Waste Control), (X) the Hazardous Substance Account Act, as amended, H&S Code §25300, et seq., (XI) the Unified Hazardous Waste and Hazardous Materials Management Regulatory Program, as amended, H&S Code §25404, et seq., (XII) H&S Code §25531, et seq. (Hazardous Materials Management), (XIII) the California Safe Drinking Water and Toxic Enforcement Act, as amended, H&S Code §25249.5, et seq., (XIV) H&S Code §25280, et seq. (Underground Storage of Hazardous Substances), (XV) the California Hazardous Waste Management Act, as amended, H&S Code §25170.1, et seq., (XVI) H&S Code §25501, et seq. (Hazardous Materials Response Plans and Inventory), (XVII) H&S Code §18901, et seq. (California Building Standards), (XVIII) the Porter-Cologne Water Quality Control Act, as amended, California Water Code §13000, et seq., (XIX) California Fish and Game Code §5650-5656 and (XX) or any other federal, state or local laws, ordinances, rules, regulations, court orders or common law related in any way to the protection of the environment, health or safety (collectively, "**Environmental Laws**"); (B) any substance the presence of which at the Property causes or threatens to cause a nuisance upon the Property or to adjacent properties or poses or threatens to pose a hazard to the health or safety of human beings; and (C) any substance the presence of which at the Property or at nearby or adjacent properties could constitute a trespass. In addition to the foregoing, to the extent not already included therein, the term "Hazardous Materials" also means (I) asbestos (including asbestos-containing materials); (II) flammable, explosive, infectious, carcinogenic, mutagenic, or radioactive materials; (III) petroleum or any substance containing or consisting of petroleum hydrocarbons (including gasoline, diesel fuel, motor oil, waste oil, grease or any other fraction of crude oil); (IV) paints and solvents; (V) lead; (VI) cyanide; (VII) DDT; (VIII) printing inks; (IV) acids; (X) pesticides;

(XI) ammonium compounds; (XII) polychlorinated biphenyls; (XIII) radon and radon gas; and (XIV) electromagnetic or magnetic materials, substances or emissions;

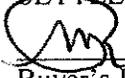
(viii) Any easements and/or access rights affecting the Property;

(ix) Any contracts and other documents or agreements affecting the Property; and

(x) Any other matter of significance affecting the Property.

15. Property Condition Waiver. Effective upon the Close of Escrow, Buyer waives its right to recover from Seller, and the officers, officials, employees, agents and predecessors of Seller, and the contractors, subcontractors, architects, engineers and consultants involved in the design and construction of the Building and other improvements located on or serving the Property (collectively, "**Seller's Representatives**"), and hereby releases Seller and Seller's Representatives from, any and all damages, losses, liabilities, costs or expenses whatsoever (including attorneys' fees and costs) and claims therefor, whether direct or indirect, known or unknown, foreseen or unforeseen, which may arise on account of or in any way arising out of or connected with (i) the physical condition of the Property, (ii) the failure of the Building or other improvements and components of the Property to comply with any law or regulation applicable thereto, and (iii) the environmental condition of the Property. The foregoing waiver and release shall exclude only those losses, liabilities, damages, costs or expenses, and claims therefor, arising from or attributable to (x) a material matter actually known to Seller (excluding constructive notice), and (1) not disclosed to Buyer and (2) not discovered by Buyer prior to the Close of Escrow, and (y) any breach by Seller of its express representations or warranties under this Agreement. In connection with foregoing waiver and release, Buyer expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR."


Buyer's Initials

16. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement, Seller makes the limited representations and warranties set forth in this Section 16. For the purpose of this Agreement, without creating any personal liability on behalf of such individual, usage of "to Seller's actual knowledge," or words to such effect, shall mean the present, actual knowledge of John Montagh, the Economic Development and Housing Manager of the City of Concord, excluding constructive knowledge or duty of inquiry, existing as of the Effective Date. In the event that Buyer, prior to Close of Escrow, becomes aware, from Seller or otherwise, of any inaccuracy or omission in the disclosures, information, or representations previously provided to Buyer by Seller or its consultants or agents, which will have a material, adverse impact on Buyer, the Property or the intended use of the Property, Buyer, as its sole option and remedy, may either (i) terminate this transaction and receive a refund of its Deposit, including all accrued interest, thereby waiving any claims or actions that Buyer may have against Seller as a result of such inaccuracy or omission, or (ii) proceed with the Close of Escrow hereunder, thereby waiving any rights that Buyer may have against Seller as a result of such inaccuracy or omission. Buyer agrees that, under no circumstances, shall Buyer be entitled to purchase the Property hereunder and then bring any claim or action against Seller for damages as a result of such inaccuracy or omission, except if such inaccuracy or omission is based on fraud or intentional misrepresentation by Seller. Unless otherwise expressly stated in this Agreement, the warranties, representations and covenants of Seller shall survive the Close of Escrow and delivery of the Grant Deed for a period of twelve (12) months, and any claim with respect thereto must be asserted in writing prior to the expiration of said twelve (12) month period.

(a) Seller's Authority. Subject to Section 3 above, Seller is (or by the Close of Escrow will be) the sole owner of fee title to the Property and has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated herein in the execution, delivery and performance of this Agreement. Furthermore, the execution and delivery of this Agreement has been duly authorized and no other action by Seller is required in order to make it a valid and binding contractual obligation of Seller. The individual(s) executing this Agreement on behalf of Seller are authorized to do so.

(b) No Prior Transfers. Seller has not previously sold, transferred or conveyed the Property, or granted to any other person or entity any right or interest in all or any part of the Property and Seller has not entered into any executory contracts for the sale of all or any part of the Property (other than this Agreement), nor do there exist any rights of first refusal or options to purchase the Property, other than this Agreement.

(c) Hazardous Materials. Except as disclosed in the Documents and Materials, to the actual knowledge of Seller, the Property is not, as of the Effective Date, in violation of any federal, state or local law, ordinance or regulation relating to Hazardous Materials (as defined herein), industrial hygiene or the environmental conditions on, under or about the Property, including, but not limited to, soil and ground water condition.

17. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the

following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which constitutes a condition precedent to Seller's obligations hereunder):

(a) Buyer's Authority. Buyer has the legal right, power and authority to enter into this Agreement and to consummate the transaction contemplated herein in the execution, delivery and performance of this Agreement and no other action by Buyer is requisite to the valid and binding execution, delivery and performance of this Agreement. The individual(s) executing this Agreement on behalf of Buyer are authorized to do so.

(b) Enforceability. This Agreement and all documents required hereby to be executed by Buyer are and shall be valid, legally binding obligations of and enforceable against Buyer in accordance with their terms.

(c) Conflicting Documents. Neither the execution and delivery of this Agreement and the documents and instruments referenced herein, nor the occurrence of the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement and the documents and instruments referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note, or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which Buyer is a party.

(d) No Side Agreements or Representations. Buyer represents, warrants and covenants to Seller that Buyer has entered into this Agreement based upon its rights and intentions to independently inspect the Property. Except as specifically provided in Section 16 of this Agreement, Seller makes no representation or warranty regarding the condition of the Property, its past use, or its suitability for Buyer's intended use. Buyer will be relying solely upon its own independent inspection, investigation, and analysis of the Property as it deems necessary or appropriate in so acquiring the Property from Seller, including, without limitation, any and all matters concerning the condition, use, sale, development or suitability of the Property.

(e) As-Is Purchase. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS, NO PATENT OR LATENT DEFECTS ON THE PROPERTY WHETHER KNOWN NOW OR DISCOVERED LATER SHALL AFFECT THIS AGREEMENT, AND THAT OTHER THAN AS EXPRESSLY PROVIDED IN SECTION 16, BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER OR SELLER'S REPRESENTATIVES AS TO ANY MATTERS CONCERNING THE PROPERTY.

18. Damage or Condemnation Prior to Closing. Seller shall promptly notify Buyer of any casualty to the Property or any condemnation proceeding considered or commenced prior to

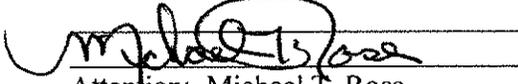
the Close of Escrow. If any such damage or proceeding relates to or may result in the loss of any "material portion" (as defined below) of the Property, Seller or Buyer may, each at its option, elect either to (i) terminate this Agreement, in which event the Deposit, including all accrued interest, shall be returned to Buyer and neither Party shall have any further rights or obligations hereunder, or (ii) continue the Agreement in effect, in which event upon the Close of Escrow, Buyer shall be entitled to any compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings. The term "material portion" shall mean damages greater than One Hundred Thousand and No/100 Dollars (\$100,000.00).

19. Notices. All notices, demands, consents, requests or other communications required or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section 19, shall be addressed to the Parties in the manner set forth below, and shall be delivered by certified mail return receipt requested, or by overnight courier or delivery service with signature required, to the addresses set forth below, or to such other place as any Party may similarly in writing designate to the others. Notices shall be effective three business days after mailing by certified mail, or upon delivery by overnight courier or delivery service (or, if delivery is not during regular business hours on a business day, then on the next business day).

The addresses of the Parties to receive notices are as follows:

TO SELLER: Successor Agency to the Redevelopment Agency of the
City of Concord
1950 Parkside Drive M/S 1B
Concord, CA 94519
Attention: Economic Development & Housing Manager
Tel: (925) 671-3082

WITH A COPY TO: City of Concord
1950 Parkside Drive
Concord, CA 94519
Attention: City Attorney
Tel: (925) 671-3160

TO BUYER: Rose Family Properties, LLC

Attention: Michael T. Rose
Tel: 925-689-1739

WITH A COPY TO: _____

Attention: _____
Tel: _____

TO ESCROW HOLDER: Old Republic Title Company
1000 Burnett Ave. #400

Concord, CA 94520

Attention: _____

Tel: (925) 687-7880

20. Brokers. Buyer shall pay to Cushman & Wakefield (“**Buyer’s Broker**”) a fee as set forth in a separate agreement between Buyer and Buyer’s Broker. Seller represents that it has not engaged any person entitled to any brokerage commission or finder’s fee in connection with this transaction. Buyer agrees to indemnify the Seller against any claim asserted against or adjudged against the Seller by Buyer’s Broker or any other person or entity, for any brokerage commission or finder’s fee or any like compensation occasioned by or as a result of any act or omission of Buyer, including all attorney’s fees, costs, expenses and any other fees incurred by, charged against or adjudicated against Seller, whether or not suit is filed, which are related to this Agreement or enforcement thereof.

21. Assignment. Buyer shall not assign its right, title or interest in this Agreement to any other party without the prior written consent of Seller, which determination may be withheld in Seller’s sole and absolute discretion. Buyer may, however, assign this Agreement and all of Buyer’s rights under it to an affiliated entity in which Buyer has a controlling ownership interest, subject to the terms of this Agreement, provided that (i) such assignee assumes in a writing reasonably acceptable to Seller, all of the obligations of Buyer, (ii) Seller receives prior written notice of such assignment, (iii) the original Buyer remains fully liable for all obligations under this Agreement, and (iv) the assignee agrees to execute all documents and perform all obligations of Buyer as if such assignee were the original Buyer under this Agreement.

22. Miscellaneous.

(a) Partial Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

(b) Waivers. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act except those of the waiving Party, which shall be extended by a period of time equal to the period of the delay.

(c) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.

(d) Attorneys’ Fees. If either Party commences an action against the other to interpret or enforce any of the terms of this Agreement or because of the breach by the other Party of any of the terms hereof, the losing Party shall pay to the prevailing Party reasonable attorneys’ fees, costs and expenses and court costs and other costs of action incurred in

connection with the prosecution or defense of such action, whether or not the action is prosecuted to a final judgment.

(e) Entire Agreement/Amendments. This Agreement (including all Recitals and Exhibits attached hereto), is the final expression of, and contains the entire agreement between, the Parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented, superseded, canceled or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the Party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. The Parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the Parties hereto.

(f) Time of Essence. Seller and Buyer hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof and that failure to timely perform any of the terms, conditions, obligations or provisions hereof by either Party shall constitute a material breach of and a non-curable (but waivable) default under this Agreement by the Party so failing to perform.

(g) Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the Parties to create the relationship of principal and agent, a partnership, joint venture or any other association between Buyer and Seller.

(h) Construction/Exhibits. Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the Parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared the same. Unless otherwise indicated, all references to paragraphs, Sections, subparagraphs and subsections are to this Agreement. All exhibits referred to in this Agreement are attached and incorporated herein by this reference.

(i) Governing Law/Venue. The Parties hereto acknowledge that this Agreement has been negotiated and entered into in the State of California. The Parties hereto expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California without reference to its choice of law rules. The Parties hereto agree that the exclusive jurisdiction and venue for any legal action arising out of or relating to this Agreement shall be in the applicable Court of Contra Costa County, California, or, in the alternative, in cases where Federal jurisdiction is available, in the United States District Court for the Northern District of California.

(j) Days of Week. A "business day," as used herein, shall mean any day other than a Saturday, Sunday or holiday, as defined in Section 6700 of the California Government Code. If any date for performance herein falls on a day other than a business day, the time for such performance shall be extended to 5:00 p.m. on the next business day.

(k) Possession of Property. Subject to the Approved Conditions of Title, Buyer shall be entitled to the possession of the Property immediately following the Close of Escrow.

(l) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

(m) Facsimile and Electronic Signatures. In order to expedite the transaction contemplated herein, facsimile or electronic signatures may be used in place of original signatures on this Agreement. Seller and Buyer intend to be bound by the signatures on the facsimile document, are aware that the other Party will rely on the facsimile or electronic signatures, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the use of a facsimile or electronic signature.

(n) Termination Documents. If this Agreement is terminated prior to the Close of Escrow for any reason, Buyer shall deliver to Seller the following documents and materials (collectively hereinafter referred to as the "**Termination Documents**"): (i) the Documents and Materials delivered to Buyer by Seller, and (ii) at no cost and without warranty as to correctness, copies of all reports, studies, maps and engineering studies that were generated by third parties for Buyer with respect to the Property, including, but not limited to, all environmental reports, surveys, marketing reports, geotechnical reports, lot studies and improvement plans. It is understood and agreed that, with respect to any provision of this Agreement which refers to the termination of this Agreement and the return of the Deposit to Buyer, such Deposit shall not be returned to Buyer unless and until Buyer has fulfilled its obligation to return to Seller the Termination Documents.

Signatures on following page

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

BUYER:

ROSE FAMILY PROPERTIES, LLC, a
California limited liability company

By: 
Name: Michael T. Rose
Title: _____
Date: 9-7-16

SELLER:

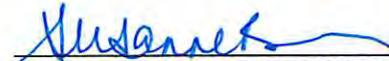
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF CONCORD, a public body

By: 
Name: Valerie Barone
Title: Executive Director/City Manager
Date: 10-4-16

ATTEST:

By: 
Joelle Fockler, Secretary

APPROVED AS TO FORM:

By: 
Susanne Brown, General Counsel

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA

On October 4, 2016 before me, Joelle Fockler, City Clerk, personally appeared Valerie J. Barone, City Manager of the City of Concord who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature



City Clerk

Schedule of Exhibits

Exhibit A

Legal Description of Property

Exhibit B

Grant Deed

Attachment 1

Legal Description of Property

Exhibit C

List of Documents and Materials

RECEIPT BY ESCROW HOLDER

Escrow Holder hereby acknowledges receipt of a fully executed copy of the foregoing Agreement on this date and agrees to abide by the escrow instructions contained therein.

Escrow Holder:

Old Republic Title Company

By: _____

Name: _____

Effective Date: _____

EXHIBIT A

Legal Description of the Property

The land referred to in this Agreement is situated in the State of California, County of Contra Costa, City of Concord, and is described as follows:

Lots 1 and 4, Block 6, Map of Concord, filed March 26, 1891, Map Book F, Page 127, Contra Costa County Records.

EXHIBIT B

Grant Deed

RECORDING REQUESTED BY:

WHEN RECORDED MAIL
TO AND MAIL TAX STATEMENTS TO:

**Exempt from recording fees per
Government Code Section 27383**

(Above Space for Recorder's Use Only)

The Undersigned Grantor(s) Declare(s):
DOCUMENTARY TRANSFER TAX \$ _____;
CITY TRANSFER TAX \$0.00 [exempt per Concord Municipal Code § 3.15.150].

- [X] Computed on the consideration or full value of property conveyed, OR
- [] Computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
- [] Unincorporated area; [X] City of Concord

GRANT DEED

WHEREAS, the Property (as defined below) was at one time owned by the Redevelopment Agency of the City of Concord, a political subdivision of the State of California ("RDA"); and

WHEREAS, as part of the 2011 Budget Act, including AB1X 26, as subsequently amended, the California Legislature dissolved all redevelopment agencies throughout the State of California, including the RDA, as of February 1, 2012; and

WHEREAS, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CONCORD ("GRANTOR") is now the fee owner of that certain real property consisting of approximately 9,600 square feet located at 1601 Sutter Street, Concord, CA 94520 in the County of Contra Costa, State of California, and designated as Assessor's Parcel No. 126-045-012 as more particularly described on Attachment 1 attached hereto ("Land"), together with the approximately 3,600 square foot single story, multi-tenant office building ("Building" and, collectively with the Land, the "Property"); and

WHEREAS, ROSE FAMILY PROPERTIES, LLC, a California limited liability company ("GRANTEE"), has agreed to purchase from GRANTOR a fee simple interest in the Property; and

WHEREAS, the conveyance contemplated by this Deed is consistent with GRANTOR's Long Range Property Management Plan, submitted to and approved by the GRANTOR's Oversight Board and the State of California Department of Finance.

NOW, THEREFORE,

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, GRANTOR hereby grants to GRANTEE, the Property and all improvements located thereon, subject to all matters of title or of record or any matters that would be disclosed by an accurate survey, in fee simple.

IN WITNESS WHEREOF, the GRANTOR has caused this Deed to be executed on its behalf by its duly authorized officer as of the ___ day of _____, 2016.

GRANTOR:

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY OF CONCORD, a public body

By: _____

[Notary acknowledgment required]

Name: Valerie Barone

Title: Executive Director/City Manager

ATTACHMENT 1

Legal Description of Property

The land referred to in this Agreement is situated in the State of California, County of Contra Costa, City of Concord, and is described as follows:

Lots 1 and 4, Block 6, Map of Concord, filed March 26, 1891, Map Book F, Page 127, Contra Costa County Records.

EXHIBIT C

List of Documents and Materials

1. Copies of all permits and certificates of occupancy issued for the Building.
2. Copies of any warranty agreements covering the Building or any equipment therein.
3. Copies of all maintenance contracts, if any.
4. Copies of documents sufficient to show the Building's operating expenses.

Property as used herein, means the subject Property and not any surrounding property. Buyer may not rely on any reports or studies because they are not issued in Buyer's name.

**BEFORE THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY
CITY OF CONCORD
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

A Resolution 16-034 approving an Agreement of Purchase and Sale and initial escrow instructions between the Successor Agency, As seller, and Rose Family Properties, as buyer, for 1601 Sutter Street, Concord, CA (APN 126-045-012)

Resolution No. 16-034

WHEREAS, Assembly Bill 1X 26, as subsequently amended by AB 1484 and SB 107 (collectively, the “Dissolution Law”) dissolved redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000, *et seq.*); and

WHEREAS, under the Dissolution Law, all real property owned by the Concord Redevelopment Agency (“RDA”) at dissolution passed by operation of law to the Successor Agency to the Concord Redevelopment Agency (“Successor Agency”); and

WHEREAS, Section 34191.5(b) of the Dissolution Law required the Successor Agency to prepare and submit for review and approval by the Oversight Board for the Successor Agency (“Oversight Board”) and the California Department of Finance (“DOF”) a long-range property management plan (“LRPMP”) addressing the disposition and use of real property owned by the Successor Agency; and

WHEREAS, the Oversight Board approved the Successor Agency’s LRPMP on November 19, 2015; and

WHEREAS, DOF approved the Successor Agency’s LRPMP by letter dated December 1, 2015; and

WHEREAS, the Successor Agency owns real property located at 1601 Sutter Street, Concord, California, and designated as APN 126-045-012 (the “Property”); and

WHEREAS, the LRPMP provides for the sale of the Property as authorized by Section 34191.5(b) of the Dissolution Law; and

1 **WHEREAS**, Successor Agency staff have negotiated with Rose Family Properties a proposed
2 Agreement of Purchase and Sale and Initial Escrow Instructions (“Agreement”), which is attached to
3 the staff report and incorporated by reference herein.

4 **NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY**
5 **CITY OF CONCORD DOES RESOLVE AS FOLLOWS:**

6 **Section 1.** The Oversight Board hereby determines based on the evidence in the record, that
7 the proposed sales price of \$475,000 as provided in the Agreement represents a reasonable price for
8 the Property.

9 **Section 2.** The Oversight Board hereby approves the Agreement in the form attached to the
10 staff report, with such further minor conforming, technical or clarifying changes as may be agreed to
11 and approved by the Successor Agency’s counsel, provided such changes do not materially increase
12 the obligations of the Successor Agency or materially decrease the obligations of Rose Family
13 Properties thereunder reasonable and financially feasible to meet its legally required financial
14 obligations.

15 **PASSED AND ADOPTED** by the Oversight Board for the Successor Agency City of
16 Concord on October 11, 2016 by the following vote:

- 17 **AYES:** Board Members –
18 **NOES:** Board Members -
19 **ABSTAIN:** Board Members –
20 **ABSENT:** Board Members –

**AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

**1601 Sutter Street
Concord, California**

This Agreement of Purchase and Sale and Joint Escrow Instructions (“**Agreement**”), dated for reference purposes only as of October 4, 2016, is entered into by and between ROSE FAMILY PROPERTIES, LLC, a California limited liability company (“**Buyer**”), and the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CONCORD, a public body (“**Seller**”). Buyer and Seller are sometimes referred to individually herein as a “**Party**” and collectively as the “**Parties**.”

Recitals

A. Seller is the owner of certain real property consisting of approximately 9,600 square feet located at 1601 Sutter Street, Concord, CA 94520 in the County of Contra Costa, State of California, and designated as Assessor’s Parcel No. 126-045-012 as more particularly described on Exhibit A attached hereto (“**Land**”), together with the approximately 3,600 square foot single story, multi-tenant office building located thereon (“**Building**” and, collectively with the Land, the “**Property**”). The Building is currently unoccupied and not leased to any tenants.

B. In accordance with the Long Range Property Management Plan approved by the Oversight Board to the Successor Agency to the Concord Redevelopment Agency (“**Oversight Board**”) by Resolution No. 15-032 on November 19, 2015, and approved by the California Department of Finance on December 1, 2015, Seller solicited proposals for the sale of the Property and Buyer responded with an offer to Purchase.

C. Buyer desires to purchase the Property from Seller and Seller desires to sell the Property to Buyer upon and subject to the terms, conditions and provisions set forth in this Agreement.

E. Execution and consummation of the Property transfer as contemplated hereunder is exempt from the California Environmental Quality Act of 1970, Public Resources Code §21000, *et seq.*, as amended, including under Public Resources Code Sections 21065, and CEQA Guidelines, Title 14, Chapter 3 of the California Code of Regulations, Sections 15061(b)(3), 15352 and 15378.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties agree as follows:

Agreement

1. Purchase and Sale. Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, the Property on the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, the date on which Escrow Holder acknowledges in writing receiving a fully executed copy of this Agreement shall (subject to Section 3 below) be hereinafter referred to as the “**Effective Date.**”

2. Purchase Price. The purchase price (“**Purchase Price**”) for the Property shall be the amount of Four Hundred Seventy Five Thousand and No/100 Dollars (\$475,000.00). Buyer has the right to independently verify the square footage of the Land and the Building, and agrees that if the square footage varies from that recited in this Agreement or in any materials provided by Seller or any representative of Seller, such variation shall have no effect on the Purchase Price.

3. Conditional Effectiveness of Agreement.

(a) This Agreement shall become effective only upon the satisfaction of each of the following conditions (collectively, the “**Conditions Precedent to Effectiveness**”) within the time period set forth herein:

- (i) The City of Concord’s City Council, as governing board of Seller; and
- (ii) The Oversight Board shall have approved this Agreement.

(b) Seller shall use diligent good faith efforts to cause the foregoing Conditions Precedent to Effectiveness to be satisfied on or before the Outside Date (defined below); provided, however, if, notwithstanding Seller’s good faith diligent efforts, the Conditions Precedent to Effectiveness have not been satisfied on or before October 31, 2016, or such later date as the parties may mutually agree each in its sole discretion (the “**Outside Effectiveness Date**”), this Agreement shall automatically terminate at 5:00 pm on the Outside Effectiveness Date. If this Agreement is terminated pursuant to this Section 3, the Deposit (as defined below), including all accrued interest, shall be returned to Buyer (provided that Buyer has complied with the terms of Section 22(n) below), and, except as otherwise provided in this Agreement, Seller and Buyer will have no further obligations or rights to one another under this Agreement.

4. Payment of Purchase Price. The Purchase Price shall be payable by Buyer to Seller as follows:

(a) Deposit. No later than three business days following Buyer’s receipt of a letter from Seller certifying that the Documents and Materials (defined in Section 8(a)(viii)) have been delivered to Buyer, Buyer shall deposit with Old Republic Title Company, 1000 Burnett Avenue, Concord CA 94520 (“**Escrow Holder**”) Twelve Thousand and No/100 Dollars (\$12,000.00) in cash or other immediately available funds (“**Deposit**”). The Deposit shall be invested by Escrow Holder with a financial institution acceptable to Buyer in a federally-insured interest-bearing demand account and the Deposit and all interest accrued thereon shall be credited to the Purchase Price upon the Close of Escrow (as defined in Section 5(b), below). Upon expiration of the Contingency Period (as defined in Section 8(a)(i), below), the Deposit shall be immediately released to Seller, and except for a default by Seller, the Deposit shall become nonrefundable to Buyer.

(b) Balance of Purchase Price. On or before the Close of Escrow, Buyer shall deposit with Escrow Holder the balance of the Purchase Price, in immediately available funds, which shall be paid to Seller at Close of Escrow.

5. Escrow.

(a) Opening of Escrow. Within one business day after the date in the introductory paragraph of this Agreement, Buyer shall open escrow (“**Escrow**”) with Escrow Holder. Buyer and Seller agree to execute and deliver to Escrow Holder, in a timely manner, all supplemental escrow instructions necessary to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend or supersede any portion of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, this Agreement shall control. Escrow Holder shall, upon receipt of a fully executed copy of this Agreement, sign and date the Receipt by Escrow Holder attached hereto, and distribute it to all parties listed in the “Notices” section of the Agreement.

(b) Close of Escrow. The escrow for conveyance of the Property shall close (“**Close of Escrow**”) within thirty (30) days after the satisfaction, or waiver by the appropriate Party, of all of the Seller Conditions Precedent (defined in Section 8(b)) and all of the Buyer Conditions Precedent (defined in Section 8(a)), which shall occur prior to the Outside Date. The “**Outside Date**” shall be the date that is ninety (90) days after Final City Approval (defined below) of the Use Permit (defined below); provided, however, the Outside Date may be extended by mutual agreement of the Parties, each in its sole discretion. “**Final City Approval**” means the date the City Planning Commission approves Buyer’s application for a Use Permit (the “**Use Permit**”) or, if the Planning Commission’s approval is appealed to the City Council, the day that the City Council approves the Use Permit. If Closing does not occur on or before the Outside Date, as it may be extended as provided above, then this Agreement shall automatically terminate. For purposes of this Agreement, “**Closing**” shall mean the time and day the Grant Deed is recorded with the Contra Costa County Recorder. Notwithstanding any other provision hereof to the contrary, if Final City Approval of the Use Permit has not occurred by the 120th day following the date on which the Oversight Board approves this Agreement, this Agreement shall automatically terminate.

6. Conditions of Title. The Property shall be conveyed to Buyer by Seller by a grant deed, substantially in the form attached hereto as Exhibit B (“Grant Deed”), subject only to (a) liens to secure payment of current, unpaid real estate taxes and assessments; (b) such title matters (other than liens to secure payment of real estate taxes and assessments, including supplemental taxes) affecting the Property created by or with the written consent of Buyer; (c) all applicable laws, ordinances, rules and governmental regulations (including, but not limited to, those relative to building, zoning and land use) affecting the development, use, occupancy or enjoyment of the Property; (d) all matters which would be apparent from an inspection of the Property; (e) all matters which would be disclosed by a survey of the Property; and (f) exceptions which are approved and/or accepted by Buyer in accordance with Section 8(a)(i) of this Agreement (collectively, “**Approved Conditions of Title**”).

7. Title Policy. Title shall be evidenced by Escrow Holder’s title insurance underwriter (“**Title Company**”) issuing its standard California Land Title Association (“**CLTA**”) Owner’s Policy of Title Insurance to Buyer in an amount equal to the Purchase Price, showing title to the Property vested in Buyer, subject only to the Approved Conditions of Title (“**Title Policy**”). Buyer shall pay all expenses of issuing the Title Policy, including (if Buyer elects to have Escrow

Holder issue its American Land Title Association (“ALTA”) Extended Coverage Owner’s Policy of Title Insurance), the expense of such ALTA premium increment and any survey costs associated with such ALTA policy. In addition, Buyer shall pay for any endorsements to the Title Policy. Buyer’s ability to obtain an ALTA policy shall not be a condition to the Close of Escrow.

8. Conditions to Close of Escrow.

(a) **Buyer Conditions Precedent.** The Close of Escrow and Buyer’s obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions (or Buyer’s waiver in writing thereof) for Buyer’s benefit on or prior to the dates designated below for the satisfaction of such conditions (“**Buyer Conditions Precedent**”), or the Close of Escrow in the absence of a specified date:

(i) **Title.** Pursuant to the terms and conditions of this subsection, Buyer shall have the right to approve any and all matters of and exceptions to title of the Property, as disclosed by the following documents and instruments (collectively, “**Title Documents**”): (A) a Preliminary Report issued by Escrow Holder with respect to the Property; and (B) legible copies of all documents, whether recorded or unrecorded, referred to in such Preliminary Report. Seller shall cause Escrow Holder to deliver the Title Documents to Buyer within five calendar days following the Effective Date. Buyer shall have until 5:00 PM (local time) on the date that is *the later of* (x) 30 calendar days following the Effective Date or (y) ten calendar days following satisfaction of the Conditions Precedent to Effectiveness (as defined in Section 3, above) (“**Contingency Period**”) to give Seller and Escrow Holder written notice (“**Buyer’s Title Notice**”) of Buyer’s approval or disapproval of the Title Documents. The failure of Buyer to give Buyer’s Title Notice to Seller within the specified time period shall be deemed Buyer’s disapproval of the Title Documents. In the event that Buyer’s Title Notice disapproves, or is deemed to have disapproved, of any matter of title shown in the Title Documents, Seller shall, within five business days after Buyer’s Title Notice is received by Seller, give Buyer written notice (“**Seller’s Title Notice**”) of those disapproved title matters, if any, which Seller is unwilling or unable to have eliminated from title to the Property by the Close of Escrow. Seller’s failure to provide Seller’s Title Notice within said five business day period shall be deemed Seller’s election not to remove any of the disapproved exceptions in Buyer’s Title Notice. Notwithstanding the foregoing, Seller agrees to remove on the Close of Escrow all deeds of trust, if any, whereby Seller is the trustor or borrower that are currently recorded against the Property. If Seller is unable or unwilling to remove all of the title matters objected to by Buyer in Buyer’s Title Notice, or fails to deliver Seller’s Title Notice, Buyer shall have five business days from receipt of Seller’s Title Notice, or expiration of the time period within which Seller is to respond, to notify Seller in writing that either (1) Buyer is willing to purchase the Property, subject to such disapproved exceptions, or (2) Buyer elects to terminate this Agreement. Failure of Buyer to take either one of the actions described in clause (1) or (2) in the previous sentence shall be deemed to be Buyer’s election to take the action described in clause (2). If this Agreement is terminated pursuant to this Section 8(a)(i), the Deposit, including all accrued interest, shall be returned to Buyer (provided that Buyer has complied with the terms of Section 22(n) below), and, except as otherwise provided in this Agreement, Seller and Buyer will have no further obligations or rights to one another under this Agreement;

(ii) Inspections and Studies/Costs. During the Contingency Period, Buyer and Buyer's employees, agents, contractors, subcontractors and consultants (collectively, "**Buyer's Representatives**") shall have the right to enter upon the Property and conduct any and all non-destructive inspections, investigations, tests and studies (including, without limitation, investigations with regard to zoning, building codes and other governmental regulations, architectural inspections, engineering tests, economic feasibility studies and soils, seismic and geologic reports and environmental testing) with respect to the Property as Buyer may elect to make or maintain. The cost of any such inspections, tests and/or studies shall be borne by Buyer.

All such inspections, tests, and/or studies shall be conducted at reasonable times during ordinary business hours upon notice to Seller at least one business day prior to entry. Buyer, in performing its inspections, investigations, tests and studies hereunder shall not unreasonably interfere with the operation of the Property or any tenant, and agrees to coordinate its activities on the Property with Seller in advance to avoid any such interference. Following any such tests or inspections, Buyer agrees to promptly return any portions of the Property damaged or altered by Buyer during such tests or inspections to substantially the same condition which existed prior to such test or inspection.

Buyer shall indemnify, defend and hold Seller and the Property harmless from any and all claims, damages or liabilities arising out of or resulting from the entry onto or activities upon the Property by Buyer or Buyer's Representatives or liens arising from such activities. Buyer's obligation to indemnify Seller under the provisions of this Section 8 shall survive any termination of this Agreement, shall survive the Closing and shall not be merged upon delivery and acceptance of the Grant Deed or upon payment of the Purchase Price by Buyer to Seller. Prior to any entry on to the Property by any of Buyer's Representatives, Buyer shall deliver to Seller an endorsement to a commercial general liability insurance policy which evidences that such Buyer's Representative is carrying a commercial general liability insurance policy with a financially responsible insurance company acceptable to Seller, covering the activities of such Buyer's Representative on or upon the Property. Such endorsement shall evidence that such insurance policy shall have a per occurrence limit of at least One Million Dollars (\$1,000,000) and an aggregate limit of at least Three Million Dollars (\$3,000,000), shall name Seller as an additional insured, and shall be primary and non-contributing with any other insurance, self-insurance or joint self-insurance available to Seller.

Prior to the expiration of the Contingency Period, Buyer shall deliver to Seller and Escrow Holder written notice ("**Contingency Period Notice**") of its approval or disapproval of the Property and the Documents and Materials (as defined in Section 8(a)(viii), below). The Contingency Period Notice may, but need not, be combined with the Buyer's Title Notice. The Contingency Period Notice to the Escrow Holder shall be accompanied by the Natural Hazards Disclosure Statement (if not yet signed and returned to Seller). The failure of Buyer to timely deliver the Contingency Period Notice shall be deemed to constitute Buyer's disapproval of the Property and the Documents and Materials, in which case the Deposit, including all accrued interest, shall be returned to Buyer (provided that Buyer has complied with the terms of Section 22(n) below), and, except as otherwise provided in this Agreement, Seller and Buyer will have no further obligations or rights to one another under this Agreement.

If this Agreement is terminated pursuant to this subsection, Buyer shall deliver to Seller (y) the Documents and Materials delivered to Buyer by Seller, and (z) at no cost and without warranty as to correctness, copies of all reports, studies, maps and engineering studies that were generated by third parties for Buyer with respect to the Property, including, but not limited to, all environmental reports, surveys, marketing reports, geotechnical reports, lot studies and improvement plans;

(iii) Final City Approval. The Use Permit shall be final and non-appealable, and if any appeals, legal challenges, requests for rehearing, or referenda have been filed or instituted, such appeals, legal challenges, requests for rehearing, or referenda shall have been fully and finally resolved in a manner acceptable to Buyer in its sole discretion and the statute of limitations or other time limits applicable to any further appeals, legal challenges, requests for rehearing, or referenda have lapsed;

(iv) Title Insurance. As of the Close of Escrow, Title Company shall have committed to issue the Title Policy to Buyer;

(v) Seller's Representations. All representations and warranties made by Seller to Buyer in this Agreement shall be true and correct on the date hereof and shall be true and correct in all material respects as of the Close of Escrow;

(vi) Natural Hazards Disclosure Statement. No later than ten business days prior to the scheduled expiration of the Contingency Period, Seller shall deliver to Buyer a Natural Hazards Disclosure Statement for the Property. Buyer shall have approved the Natural Hazards Disclosure Statement and returned a signed copy thereof to Seller by the expiration of the Contingency Period;

(vii) Seller's Obligations. As of the Close of Escrow, Seller shall have performed all of the obligations required to be performed by Seller under this Agreement; and

(viii) Documents and Materials. Within ten calendar days after the Effective Date, Seller shall deliver to Buyer all of the documents and materials described on Exhibit C attached hereto, to the extent within Seller's possession or control ("**Documents and Materials**"). Upon delivery of the Documents and Materials, Seller shall deliver an acknowledgment letter to Buyer setting forth the date of compliance with this Section 8(a)(viii) and setting forth the list of Documents and Materials actually delivered to Buyer. Seller makes no representation or warranty as to the accuracy or completeness of any of the Documents and Materials which were not prepared by Seller.

(b) Seller Conditions Precedent. The Close of Escrow and Seller's obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions (or Seller's waiver thereof) for Seller's benefit on or prior to the dates designated below for the satisfaction of such conditions ("**Seller Conditions Precedent**"), or the Close of Escrow in absence of a specified date:

(i) Buyer's Obligations. Buyer shall have timely performed all of the obligations required to be performed by Buyer under this Agreement;

(ii) Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct on the date hereof and shall be true and correct in all material respects as of the Close of Escrow;

(iii) Purchase Price. Buyer shall have timely delivered the Purchase Price and other sums owing under this Agreement in good funds to Escrow Holder and fully, faithfully and timely performed all of its other obligations under this Agreement;

(iv) Natural Hazards Disclosure Statement. Prior to the end of the Contingency Period, Buyer shall have returned a signed copy of the Natural Hazards Disclosure Statement to the Seller; and

(v) Final City Approvals. The Use Permit shall be final and non-appealable, and if any appeals, legal challenges, requests for rehearing, or referenda have been filed or instituted, such appeals, legal challenges, requests for rehearing, or referenda shall have been fully and finally resolved in a manner acceptable to Seller in its sole discretion and the statutes of limitations or other time limits applicable to any further appeals, legal challenges, requests for rehearing, or referenda have lapsed.

(vi) Delegation of Authority. On behalf of Seller, the City Council hereby delegates authority to revise these escrow instructions, or draft additional escrow instructions, to the City Attorney.

(c) Failure of Condition to Close of Escrow. If any of the conditions set forth in Section 8(a) or Section 8(b) are not timely satisfied or waived by the appropriate benefited Party for a reason other than the default of Buyer or Seller, this Agreement shall terminate, and the Deposit, including all accrued interest, and all other monies delivered to Escrow Holder by Buyer shall be immediately returned to Buyer (provided that Buyer has complied with the requirements of Section 22(n) below), and except as otherwise provided herein, the Parties shall have no further obligations hereunder.

9. Deposits By Seller. At least one business day prior to the Close of Escrow, Seller shall deposit with Escrow Holder the following documents:

(a) Grant Deed. The Grant Deed, duly executed and acknowledged in recordable form by Seller, conveying fee simple title to the Property to Buyer.

(b) FIRPTA Certificate. A certification, acceptable to Escrow Holder, duly executed by Seller under penalty of perjury, setting forth Seller's address and federal tax identification number in accordance with and/or for the purpose of complying with the provisions of Sections 7701 and 1445, as may be amended, of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

(c) California Franchise Tax Withholding. A certification, acceptable to Escrow Holder, that Seller is exempt from the withholding provisions of the California Revenue and Taxation Code, as may be amended from time to time, and that neither Buyer nor Escrow Holder is required to withhold any amount from the Purchase Price pursuant to such provisions.

10. Deposits By Buyer. At least one business day prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder the balance of the Purchase Price (as adjusted by the Deposit and prorations provided for herein), in cash or other immediately available funds.

11. Costs and Expenses. As the Seller is a political subdivision of the State of California, it is a tax-exempt entity and shall not pay the City of Concord Real Property Transfer Tax, any real property or other taxes, or pay any bond or assessment that is a lien customarily paid with real property taxes; provided, however, that Seller shall pay any applicable documentary transfer taxes. Except as otherwise specified in this Agreement, Buyer shall pay all applicable closing costs, escrow fees, and title insurance costs, if any. Buyer and Seller shall each pay all legal and professional fees and fees of other consultants incurred by Buyer and Seller, respectively. Any costs incurred through the Escrow relating to the Property that are not specifically allocated to Buyer or Seller under this Agreement shall be apportioned in the manner customary in Contra Costa County.

12. Prorations.

(a) Taxes/Assessments. [Not applicable, as the Property is publicly owned.]

(b) Other Expenses. All expenses for the Property, including common area maintenance expenses, if any, shall be prorated as of 12:01 a.m. on the day of the Close of Escrow based upon the latest available information.

13. Corrections. If any errors or omissions are made regarding adjustments and prorations as set forth herein, the parties shall make the appropriate corrections promptly upon discovery thereof. If any estimates are made at the Close of Escrow regarding adjustments or prorations, the Parties shall make the appropriate correction promptly when accurate information becomes available. Any corrected adjustment or proration shall be paid in cash to the Party entitled thereto.

14. Condition of Property.

(a) Notwithstanding any other provision of this Agreement to the contrary, Seller makes no representation or warranty (except as expressly set forth in Section 16 below) whatsoever regarding the Property including, without limitation, as to:

(i) The size and dimensions of any portion of the Property;

(ii) The size and dimensions of the Building;

(iii) The suitability of the Property or Building for the Buyer's planned use, including availability and adequacy of water, sewage, fire protection, and any utilities serving the Property;

(iv) All matters relating to title including extent and conditions of title to the Property, taxes, assessments, and liens;

(v) All legal and governmental laws, statutes, rules, regulations, ordinances, restrictions or requirements concerning the Property, including zoning, use permit requirements and building codes;

(vi) Natural hazards, including flood plain issues, currently or potentially concerning or affecting the Property;

(vii) The physical, legal, economic and environmental condition and aspects of the Property, and all other matters concerning the condition, use or sale of the Property, including any permits, licenses, agreements, and liens, zoning reports, engineers' reports and studies and similar information relating to the Property, and Hazardous Materials (as defined below). "**Hazardous Materials**" means any and all substances, contaminants, chemicals, wastes, sewage, materials or emissions which are now or hereafter regulated, controlled, prohibited or otherwise affected by any present or future local, state or federal statute, ordinance, code, rule, regulation, order, decree, permit or other law now or hereafter in effect including (A) any substance defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," or "air pollutant" in (I) the Comprehensive Environmental Response, Compensation and Liability Act, as amended (CERCLA), 42 U.S.C. §9601, et seq., (II) the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §1801, et seq., (III) the Resource Conservation and Recovery Act, as amended (RCRA), 42 U.S.C. §6901, et seq., (IV) the Federal Water Pollution Control Act, as amended, 33 U.S.C. §1251, et seq., (V) the Clean Air Act, as amended, 42 U.S.C. §7401, et seq., (VI) the Toxic Substances Control Act, as amended, 15 U.S.C. §2601, et seq., (VII) the Clean Water Act, as amended, 33 U.S.C. §1251, et seq., (VIII) the Oil Pollution Act, as amended, 33 U.S.C. §2701, et seq., (IX) California Health & Safety Code ("**H&S Code**") §25100, et seq. (Hazardous Waste Control), (X) the Hazardous Substance Account Act, as amended, H&S Code §25300, et seq., (XI) the Unified Hazardous Waste and Hazardous Materials Management Regulatory Program, as amended, H&S Code §25404, et seq., (XII) H&S Code §25531, et seq. (Hazardous Materials Management), (XIII) the California Safe Drinking Water and Toxic Enforcement Act, as amended, H&S Code §25249.5, et seq., (XIV) H&S Code §25280, et seq. (Underground Storage of Hazardous Substances), (XV) the California Hazardous Waste Management Act, as amended, H&S Code §25170.1, et seq., (XVI) H&S Code §25501, et seq. (Hazardous Materials Response Plans and Inventory), (XVII) H&S Code §18901, et seq. (California Building Standards), (XVIII) the Porter-Cologne Water Quality Control Act, as amended, California Water Code §13000, et seq., (XIX) California Fish and Game Code §5650-5656 and (XX) or any other federal, state or local laws, ordinances, rules, regulations, court orders or common law related in any way to the protection of the environment, health or safety (collectively, "**Environmental Laws**"); (B) any substance the presence of which at the Property causes or threatens to cause a nuisance upon the Property or to adjacent properties or poses or threatens to pose a hazard to the health or safety of human beings; and (C) any substance the presence of which at the Property or at nearby or adjacent properties could constitute a trespass. In addition to the foregoing, to the extent not already included therein, the term "Hazardous Materials" also means (I) asbestos (including asbestos-containing materials); (II) flammable, explosive, infectious, carcinogenic, mutagenic, or radioactive materials; (III) petroleum or any substance containing or consisting of petroleum hydrocarbons (including gasoline, diesel fuel, motor oil, waste oil, grease or any other fraction of crude oil); (IV) paints and solvents; (V) lead; (VI) cyanide; (VII) DDT; (VIII) printing inks; (IV) acids; (X) pesticides;

(XI) ammonium compounds; (XII) polychlorinated biphenyls; (XIII) radon and radon gas; and (XIV) electromagnetic or magnetic materials, substances or emissions;

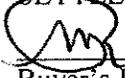
(viii) Any easements and/or access rights affecting the Property;

(ix) Any contracts and other documents or agreements affecting the Property; and

(x) Any other matter of significance affecting the Property.

15. Property Condition Waiver. Effective upon the Close of Escrow, Buyer waives its right to recover from Seller, and the officers, officials, employees, agents and predecessors of Seller, and the contractors, subcontractors, architects, engineers and consultants involved in the design and construction of the Building and other improvements located on or serving the Property (collectively, "**Seller's Representatives**"), and hereby releases Seller and Seller's Representatives from, any and all damages, losses, liabilities, costs or expenses whatsoever (including attorneys' fees and costs) and claims therefor, whether direct or indirect, known or unknown, foreseen or unforeseen, which may arise on account of or in any way arising out of or connected with (i) the physical condition of the Property, (ii) the failure of the Building or other improvements and components of the Property to comply with any law or regulation applicable thereto, and (iii) the environmental condition of the Property. The foregoing waiver and release shall exclude only those losses, liabilities, damages, costs or expenses, and claims therefor, arising from or attributable to (x) a material matter actually known to Seller (excluding constructive notice), and (1) not disclosed to Buyer and (2) not discovered by Buyer prior to the Close of Escrow, and (y) any breach by Seller of its express representations or warranties under this Agreement. In connection with foregoing waiver and release, Buyer expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER MUST HAVE MATERIALLY AFFECTED THE SETTLEMENT WITH THE DEBTOR."


Buyer's Initials

16. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement, Seller makes the limited representations and warranties set forth in this Section 16. For the purpose of this Agreement, without creating any personal liability on behalf of such individual, usage of "to Seller's actual knowledge," or words to such effect, shall mean the present, actual knowledge of John Montagh, the Economic Development and Housing Manager of the City of Concord, excluding constructive knowledge or duty of inquiry, existing as of the Effective Date. In the event that Buyer, prior to Close of Escrow, becomes aware, from Seller or otherwise, of any inaccuracy or omission in the disclosures, information, or representations previously provided to Buyer by Seller or its consultants or agents, which will have a material, adverse impact on Buyer, the Property or the intended use of the Property, Buyer, as its sole option and remedy, may either (i) terminate this transaction and receive a refund of its Deposit, including all accrued interest, thereby waiving any claims or actions that Buyer may have against Seller as a result of such inaccuracy or omission, or (ii) proceed with the Close of Escrow hereunder, thereby waiving any rights that Buyer may have against Seller as a result of such inaccuracy or omission. Buyer agrees that, under no circumstances, shall Buyer be entitled to purchase the Property hereunder and then bring any claim or action against Seller for damages as a result of such inaccuracy or omission, except if such inaccuracy or omission is based on fraud or intentional misrepresentation by Seller. Unless otherwise expressly stated in this Agreement, the warranties, representations and covenants of Seller shall survive the Close of Escrow and delivery of the Grant Deed for a period of twelve (12) months, and any claim with respect thereto must be asserted in writing prior to the expiration of said twelve (12) month period.

(a) Seller's Authority. Subject to Section 3 above, Seller is (or by the Close of Escrow will be) the sole owner of fee title to the Property and has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated herein in the execution, delivery and performance of this Agreement. Furthermore, the execution and delivery of this Agreement has been duly authorized and no other action by Seller is required in order to make it a valid and binding contractual obligation of Seller. The individual(s) executing this Agreement on behalf of Seller are authorized to do so.

(b) No Prior Transfers. Seller has not previously sold, transferred or conveyed the Property, or granted to any other person or entity any right or interest in all or any part of the Property and Seller has not entered into any executory contracts for the sale of all or any part of the Property (other than this Agreement), nor do there exist any rights of first refusal or options to purchase the Property, other than this Agreement.

(c) Hazardous Materials. Except as disclosed in the Documents and Materials, to the actual knowledge of Seller, the Property is not, as of the Effective Date, in violation of any federal, state or local law, ordinance or regulation relating to Hazardous Materials (as defined herein), industrial hygiene or the environmental conditions on, under or about the Property, including, but not limited to, soil and ground water condition.

17. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the

following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which constitutes a condition precedent to Seller's obligations hereunder):

(a) Buyer's Authority. Buyer has the legal right, power and authority to enter into this Agreement and to consummate the transaction contemplated herein in the execution, delivery and performance of this Agreement and no other action by Buyer is requisite to the valid and binding execution, delivery and performance of this Agreement. The individual(s) executing this Agreement on behalf of Buyer are authorized to do so.

(b) Enforceability. This Agreement and all documents required hereby to be executed by Buyer are and shall be valid, legally binding obligations of and enforceable against Buyer in accordance with their terms.

(c) Conflicting Documents. Neither the execution and delivery of this Agreement and the documents and instruments referenced herein, nor the occurrence of the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement and the documents and instruments referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note, or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which Buyer is a party.

(d) No Side Agreements or Representations. Buyer represents, warrants and covenants to Seller that Buyer has entered into this Agreement based upon its rights and intentions to independently inspect the Property. Except as specifically provided in Section 16 of this Agreement, Seller makes no representation or warranty regarding the condition of the Property, its past use, or its suitability for Buyer's intended use. Buyer will be relying solely upon its own independent inspection, investigation, and analysis of the Property as it deems necessary or appropriate in so acquiring the Property from Seller, including, without limitation, any and all matters concerning the condition, use, sale, development or suitability of the Property.

(e) As-Is Purchase. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS, NO PATENT OR LATENT DEFECTS ON THE PROPERTY WHETHER KNOWN NOW OR DISCOVERED LATER SHALL AFFECT THIS AGREEMENT, AND THAT OTHER THAN AS EXPRESSLY PROVIDED IN SECTION 16, BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER OR SELLER'S REPRESENTATIVES AS TO ANY MATTERS CONCERNING THE PROPERTY.

18. Damage or Condemnation Prior to Closing. Seller shall promptly notify Buyer of any casualty to the Property or any condemnation proceeding considered or commenced prior to

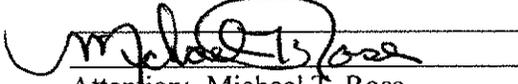
the Close of Escrow. If any such damage or proceeding relates to or may result in the loss of any "material portion" (as defined below) of the Property, Seller or Buyer may, each at its option, elect either to (i) terminate this Agreement, in which event the Deposit, including all accrued interest, shall be returned to Buyer and neither Party shall have any further rights or obligations hereunder, or (ii) continue the Agreement in effect, in which event upon the Close of Escrow, Buyer shall be entitled to any compensation, award, or other payments or relief resulting from such casualty or condemnation proceedings. The term "material portion" shall mean damages greater than One Hundred Thousand and No/100 Dollars (\$100,000.00).

19. Notices. All notices, demands, consents, requests or other communications required or permitted to be given pursuant to this Agreement shall be in writing, shall be given only in accordance with the provisions of this Section 19, shall be addressed to the Parties in the manner set forth below, and shall be delivered by certified mail return receipt requested, or by overnight courier or delivery service with signature required, to the addresses set forth below, or to such other place as any Party may similarly in writing designate to the others. Notices shall be effective three business days after mailing by certified mail, or upon delivery by overnight courier or delivery service (or, if delivery is not during regular business hours on a business day, then on the next business day).

The addresses of the Parties to receive notices are as follows:

TO SELLER: Successor Agency to the Redevelopment Agency of the
City of Concord
1950 Parkside Drive M/S 1B
Concord, CA 94519
Attention: Economic Development & Housing Manager
Tel: (925) 671-3082

WITH A COPY TO: City of Concord
1950 Parkside Drive
Concord, CA 94519
Attention: City Attorney
Tel: (925) 671-3160

TO BUYER: Rose Family Properties, LLC

Attention: Michael T. Rose
Tel: 925-689-1739

WITH A COPY TO: _____

Attention: _____
Tel: _____

TO ESCROW HOLDER: Old Republic Title Company
1000 Burnett Ave. #400

Concord, CA 94520

Attention: _____

Tel: (925) 687-7880

20. Brokers. Buyer shall pay to Cushman & Wakefield (“**Buyer’s Broker**”) a fee as set forth in a separate agreement between Buyer and Buyer’s Broker. Seller represents that it has not engaged any person entitled to any brokerage commission or finder’s fee in connection with this transaction. Buyer agrees to indemnify the Seller against any claim asserted against or adjudged against the Seller by Buyer’s Broker or any other person or entity, for any brokerage commission or finder’s fee or any like compensation occasioned by or as a result of any act or omission of Buyer, including all attorney’s fees, costs, expenses and any other fees incurred by, charged against or adjudicated against Seller, whether or not suit is filed, which are related to this Agreement or enforcement thereof.

21. Assignment. Buyer shall not assign its right, title or interest in this Agreement to any other party without the prior written consent of Seller, which determination may be withheld in Seller’s sole and absolute discretion. Buyer may, however, assign this Agreement and all of Buyer’s rights under it to an affiliated entity in which Buyer has a controlling ownership interest, subject to the terms of this Agreement, provided that (i) such assignee assumes in a writing reasonably acceptable to Seller, all of the obligations of Buyer, (ii) Seller receives prior written notice of such assignment, (iii) the original Buyer remains fully liable for all obligations under this Agreement, and (iv) the assignee agrees to execute all documents and perform all obligations of Buyer as if such assignee were the original Buyer under this Agreement.

22. Miscellaneous.

(a) Partial Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

(b) Waivers. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act except those of the waiving Party, which shall be extended by a period of time equal to the period of the delay.

(c) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the Parties hereto.

(d) Attorneys’ Fees. If either Party commences an action against the other to interpret or enforce any of the terms of this Agreement or because of the breach by the other Party of any of the terms hereof, the losing Party shall pay to the prevailing Party reasonable attorneys’ fees, costs and expenses and court costs and other costs of action incurred in

connection with the prosecution or defense of such action, whether or not the action is prosecuted to a final judgment.

(e) Entire Agreement/Amendments. This Agreement (including all Recitals and Exhibits attached hereto), is the final expression of, and contains the entire agreement between, the Parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto. This Agreement may not be modified, changed, supplemented, superseded, canceled or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the Party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. The Parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the Parties hereto.

(f) Time of Essence. Seller and Buyer hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof and that failure to timely perform any of the terms, conditions, obligations or provisions hereof by either Party shall constitute a material breach of and a non-curable (but waivable) default under this Agreement by the Party so failing to perform.

(g) Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the Parties to create the relationship of principal and agent, a partnership, joint venture or any other association between Buyer and Seller.

(h) Construction/Exhibits. Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the Parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one of the Parties, but rather as if both Parties had prepared the same. Unless otherwise indicated, all references to paragraphs, Sections, subparagraphs and subsections are to this Agreement. All exhibits referred to in this Agreement are attached and incorporated herein by this reference.

(i) Governing Law/Venue. The Parties hereto acknowledge that this Agreement has been negotiated and entered into in the State of California. The Parties hereto expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California without reference to its choice of law rules. The Parties hereto agree that the exclusive jurisdiction and venue for any legal action arising out of or relating to this Agreement shall be in the applicable Court of Contra Costa County, California, or, in the alternative, in cases where Federal jurisdiction is available, in the United States District Court for the Northern District of California.

(j) Days of Week. A "business day," as used herein, shall mean any day other than a Saturday, Sunday or holiday, as defined in Section 6700 of the California Government Code. If any date for performance herein falls on a day other than a business day, the time for such performance shall be extended to 5:00 p.m. on the next business day.

(k) Possession of Property. Subject to the Approved Conditions of Title, Buyer shall be entitled to the possession of the Property immediately following the Close of Escrow.

(l) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

(m) Facsimile and Electronic Signatures. In order to expedite the transaction contemplated herein, facsimile or electronic signatures may be used in place of original signatures on this Agreement. Seller and Buyer intend to be bound by the signatures on the facsimile document, are aware that the other Party will rely on the facsimile or electronic signatures, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the use of a facsimile or electronic signature.

(n) Termination Documents. If this Agreement is terminated prior to the Close of Escrow for any reason, Buyer shall deliver to Seller the following documents and materials (collectively hereinafter referred to as the "**Termination Documents**"): (i) the Documents and Materials delivered to Buyer by Seller, and (ii) at no cost and without warranty as to correctness, copies of all reports, studies, maps and engineering studies that were generated by third parties for Buyer with respect to the Property, including, but not limited to, all environmental reports, surveys, marketing reports, geotechnical reports, lot studies and improvement plans. It is understood and agreed that, with respect to any provision of this Agreement which refers to the termination of this Agreement and the return of the Deposit to Buyer, such Deposit shall not be returned to Buyer unless and until Buyer has fulfilled its obligation to return to Seller the Termination Documents.

Signatures on following page

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

BUYER:

ROSE FAMILY PROPERTIES, LLC, a
California limited liability company

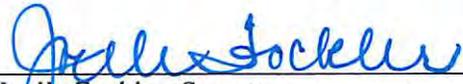
By: 
Name: Michael T. Rose
Title: _____
Date: 9-7-16

SELLER:

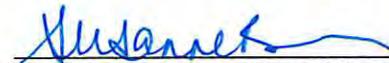
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF CONCORD, a public body

By: 
Name: Valerie Barone
Title: Executive Director/City Manager
Date: 10-4-16

ATTEST:

By: 
Joelle Fockler, Secretary

APPROVED AS TO FORM:

By: 
Susanne Brown, General Counsel

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA

On October 4, 2016 before me, Joelle Fockler, City Clerk, personally appeared Valerie J. Barone, City Manager of the City of Concord who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature



City Clerk

Schedule of Exhibits

Exhibit A

Legal Description of Property

Exhibit B

Grant Deed

Attachment 1

Legal Description of Property

Exhibit C

List of Documents and Materials

RECEIPT BY ESCROW HOLDER

Escrow Holder hereby acknowledges receipt of a fully executed copy of the foregoing Agreement on this date and agrees to abide by the escrow instructions contained therein.

Escrow Holder:

Old Republic Title Company

By: _____

Name: _____

Effective Date: _____

EXHIBIT A

Legal Description of the Property

The land referred to in this Agreement is situated in the State of California, County of Contra Costa, City of Concord, and is described as follows:

Lots 1 and 4, Block 6, Map of Concord, filed March 26, 1891, Map Book F, Page 127, Contra Costa County Records.

EXHIBIT B

Grant Deed

RECORDING REQUESTED BY:

WHEN RECORDED MAIL
TO AND MAIL TAX STATEMENTS TO:

**Exempt from recording fees per
Government Code Section 27383**

(Above Space for Recorder's Use Only)

The Undersigned Grantor(s) Declare(s):
DOCUMENTARY TRANSFER TAX \$ _____;
CITY TRANSFER TAX \$0.00 [exempt per Concord Municipal Code § 3.15.150].

- [X] Computed on the consideration or full value of property conveyed, OR
- [] Computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
- [] Unincorporated area; [X] City of Concord

GRANT DEED

WHEREAS, the Property (as defined below) was at one time owned by the Redevelopment Agency of the City of Concord, a political subdivision of the State of California ("RDA"); and

WHEREAS, as part of the 2011 Budget Act, including AB1X 26, as subsequently amended, the California Legislature dissolved all redevelopment agencies throughout the State of California, including the RDA, as of February 1, 2012; and

WHEREAS, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CONCORD ("GRANTOR") is now the fee owner of that certain real property consisting of approximately 9,600 square feet located at 1601 Sutter Street, Concord, CA 94520 in the County of Contra Costa, State of California, and designated as Assessor's Parcel No. 126-045-012 as more particularly described on Attachment 1 attached hereto ("Land"), together with the approximately 3,600 square foot single story, multi-tenant office building ("Building" and, collectively with the Land, the "Property"); and

WHEREAS, ROSE FAMILY PROPERTIES, LLC, a California limited liability company ("GRANTEE"), has agreed to purchase from GRANTOR a fee simple interest in the Property; and

WHEREAS, the conveyance contemplated by this Deed is consistent with GRANTOR's Long Range Property Management Plan, submitted to and approved by the GRANTOR's Oversight Board and the State of California Department of Finance.

NOW, THEREFORE,

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, GRANTOR hereby grants to GRANTEE, the Property and all improvements located thereon, subject to all matters of title or of record or any matters that would be disclosed by an accurate survey, in fee simple.

IN WITNESS WHEREOF, the GRANTOR has caused this Deed to be executed on its behalf by its duly authorized officer as of the ___ day of _____, 2016.

GRANTOR:

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY OF CONCORD, a public body

By: _____

[Notary acknowledgment required]

Name: Valerie Barone

Title: Executive Director/City Manager

ATTACHMENT 1

Legal Description of Property

The land referred to in this Agreement is situated in the State of California, County of Contra Costa, City of Concord, and is described as follows:

Lots 1 and 4, Block 6, Map of Concord, filed March 26, 1891, Map Book F, Page 127, Contra Costa County Records.

EXHIBIT C

List of Documents and Materials

1. Copies of all permits and certificates of occupancy issued for the Building.
2. Copies of any warranty agreements covering the Building or any equipment therein.
3. Copies of all maintenance contracts, if any.
4. Copies of documents sufficient to show the Building's operating expenses.

Property as used herein, means the subject Property and not any surrounding property. Buyer may not rely on any reports or studies because they are not issued in Buyer's name.