

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

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (“this **Agreement**”) is entered into as of July __, 2021 (the “**Effective Date**”), by and between the City of South San Francisco, a municipal corporation (“**Buyer**”), and Camino Royale Investment Corporation, a California corporation, and Somil Gandhi (collectively “**Seller**”). Seller and Buyer are collectively referred to herein as the “**Parties**.”

RECITALS

A. Seller is owner of certain real property with an address of 71 Camaritas Avenue, South San Francisco, California, also known as San Mateo County Assessor’s Parcel Number 010-402-240, and as more particularly described in Exhibit A attached hereto and incorporated herein (“**Property**”).

B. Buyer agrees to purchase the Property, and Seller agrees to sell the Property to Buyer, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the parties, Seller and Buyer hereby agree as follows:

1. INCORPORATION OF RECITALS AND EXHIBITS. The Recitals set forth above and the Exhibits attached to this Agreement are each incorporated into the body of this Agreement as if set forth in full.

2. PURCHASE AND SALE.

2.1 Agreement to Buy and Sell. Subject to the terms and conditions set forth herein, Seller agrees to sell the Property to Buyer, and Buyer hereby agrees to acquire the Property from Seller. The Property shall include the following:

(a) All of Seller’s right, title and interest, if any, in and to all improvements located on the Property.

(b) All of Seller’s right, title and interest, if any, in and to all rights, privileges, tenements, hereditaments, rights-of-way, easements, licenses, appurtenances, mineral rights, development rights, permits, approvals, air rights, and water and riparian rights belonging or appertaining to the Property or any improvements thereon.

(c) All of Seller’s interests, if any, in and to all personal property, tangible or intangible (including, without limitation, trade names, trademarks or intellectual property, warranties, guarantees, plans, specifications, architects’, engineers’, and all other consultants’ contracts, reports and all governmental approvals obtained or applied for as of the date of this Agreement relating to the Property or any improvements thereon) located on or relating to the Property and/or any improvements thereon.

2.2 Purchase Price. The purchase price for the Property to be paid by Buyer to Seller (the “**Purchase Price**”) is Five Million Five Hundred Thousand Dollars (\$5,500,000.00). The Purchase Price shall be paid in cash at the Closing to the Seller.

3. ESCROW.

3.1 Escrow Account. Buyer has opened an interest-bearing escrow account (the “**Escrow**”) maintained by Chicago Title Company, Escrow Agent Jayson Yambao (the “**Escrow Holder**”), with interest, if any, accruing to the benefit of Buyer. Escrow Holder shall perform all escrow and title services in connection with this Agreement.

3.2 Opening of Escrow. Within five (5) business days after the Effective Date, the Parties will deposit into Escrow the fully executed Agreement, or executed counterparts thereto. The date such fully executed Agreement is received by Escrow Holder will be deemed the “**Opening of Escrow,**” and Escrow Holder will give written notice to the Parties of such occurrence.

3.3 Buyer’s Deposit. Buyer agrees to provide a deposit into the Escrow in the amount of One Hundred Sixty-Five Thousand Dollars (\$165,000) (“**Deposit**”) within five (5) business days of the Opening of Escrow. The Deposit shall be applied to the Purchase Price at Closing. If Buyer does not terminate this Agreement on the conclusion of the Due Diligence Contingency Period (defined below), then the deposit shall be nonrefundable except in the instance of a breach by Seller.

3.4 Satisfaction of Due Diligence Contingency. Buyer will have sixty (60) calendar days from Opening of Escrow (the “**Due Diligence Contingency Period**”) to complete physical inspections of the Property and due diligence related to the purchase of the Property. Seller shall provide to Buyer copies of all reasonably available and known documents relating to the ownership and operation of the Property, including but not limited to plans, permits and reports (environmental, structural, mechanical, engineering and land surveys) that Seller has in its possession not later than two (2) business days following the execution and delivery of this Agreement.

During the Due Diligence Contingency Period, Buyer and its agents, contractors and employees shall have the right to enter upon the Property for the purpose of making inspections or to perform environmental testing, at Buyer’s sole risk, cost and expense. All of such entries upon the Property shall occur within the Due Diligence Contingency Period, during normal business hours and after at least twenty-four (24) hours prior notice to Seller, and Seller or Seller’s agent shall have the right to accompany Buyer during any activities performed by Buyer on the Property. At Seller’s request, Buyer shall provide Seller with a copy of the results of any environmental tests and inspections made by Buyer, at no cost to Seller. If any inspection or test disturbs the Property, Buyer will restore the Property to the substantially the same condition as existed before the inspection or test. Buyer shall defend, indemnify and hold Seller and the Property harmless from and against any and all losses, costs, damages, claims or liabilities, including but not limited to, mechanic’s and materialmen’s’ liens, arising out of or in connection with Buyer’s inspection of the Property as allowed pursuant to this Section 3.4.

Buyer has the right to extend the Due Diligence Contingency Period by thirty (30) calendar days by deposit of Five Thousand Dollars (\$5,000) into the Escrow, to be disbursed to Seller (the "Due Diligence Extension Payment"). The Due Diligence Extension Payment shall not be credited to the Purchase Price at Closing.

Buyer shall have the right, in its sole and absolute discretion, to terminate this Agreement for any reason (or no reason) by written notice to Seller prior to the expiration of the Due Diligence Contingency Period (as it may be extended) and receive a refund of the Deposit. If Buyer timely sends such a termination notice, this Agreement shall terminate, and all amounts that may be deposited by Buyer into the Escrow, together with interest thereon, if any, will be returned to Buyer, and neither party shall have any further rights or obligations hereunder except those which expressly survive the termination hereof. In the event of Buyer's termination of this Agreement pursuant to this Section 3.4, Buyer shall be responsible for the costs of Escrow and any cancellation fees.

4. PROPERTY DISCLOSURE REQUIREMENTS.

4.1 Condition of Title/Preliminary Title Report. Escrow Holder shall deliver a Preliminary Title Report for the Property (the "**Preliminary Report**") to Buyer within three (3) days after the Opening of Escrow. Buyer shall have until thirty (30) days from the date of delivery of the Preliminary Title Report to approve or disapprove the condition of title to the Property; provided that all existing deeds of trust, mechanic's liens and other financial liens and encumbrances shall be paid off and removed from title concurrently with or prior to the Closing. If there are any changes to the Preliminary Report prior to Closing, Buyer shall have twenty (20) days after receipt of the revised Preliminary Report to approve or disapprove such changes.

4.2 Environmental and Natural Hazards Disclosure. California Health & Safety Code section 25359.7 requires owners of non-residential real property who know, or have reasonable cause to believe, that any release of hazardous substances are located on or beneath the real property to provide written notice of same to the buyer of real property. Other applicable laws require Seller to provide certain disclosures regarding natural hazards affecting the Property. Seller agrees to make any necessary disclosures required by law. Seller shall provide Buyer with all documents reasonably known to Seller pertaining to the environmental condition of the Property.

5. CLOSING AND PAYMENT OF PURCHASE PRICE.

5.1 Closing. The closing (the "**Closing**" or "**Close of Escrow**") will occur no later than fifteen (15) calendar days after the expiration of the Due Diligence Contingency Period, as it may be extended pursuant to Section 3.4 hereof ("**Closing Date**"), or such other date that the Parties agree in writing. In the event that Closing has not occurred on or prior to the Closing Date, either Party not then in default may, upon five (5) days advance written notice to the other Party, terminate this Agreement and the Escrow. As long as neither Party so elects to terminate this Agreement and the Escrow, Escrow Holder shall close the Escrow as soon as possible. Notwithstanding anything in this Agreement to the contrary, if this Agreement is terminated due

to any reason other than a material default by Buyer, Escrow Holder shall return the Deposit to Buyer. Upon any such termination of this Agreement, neither Party shall have any further rights or obligations hereunder; except for the rights and obligations expressly provided to survive termination of this Agreement.

5.2 Buyer's Conditions to Closing. Buyer's obligation to purchase the Property is subject to the satisfaction of all of the following conditions or Buyer's written waiver thereof (in Buyer's sole discretion) on or before the Closing Date:

(a) Buyer has not sent a notice of termination to Seller prior to the end of the Due Diligence Contingency Period.

(b) Seller has deposited into the Escrow a fully executed "Grant Deed", "Non-Foreign Affidavit", "California Certificate" (all as defined in Section 5.5(a) below), and all other documents to be submitted by Seller pursuant to this Agreement, all duly executed by Seller.

(c) Seller has performed all obligations to be performed by Seller pursuant to this Agreement.

(d) Seller's representations and warranties herein are true and correct in all material respects as of the Closing Date.

(e) The Title Company is irrevocably committed to issue an ALTA standard coverage title insurance policy to Buyer, together with such endorsements as are requested by Buyer, effective as of the Closing Date, insuring title to Buyer in the full amount of the Purchase Price, subject only to those exceptions to title which have been approved by Buyer.

(f) There shall be no litigation or administrative proceeding pending with respect to the Property as of the Closing, nor any moratoria which would adversely impact the development, use or value of the Property.

(g) Possession of the Property will be delivered to Buyer immediately upon the Close of Escrow.

5.3 Seller's Conditions to Closing. The Close of Escrow and Seller's obligation to sell and convey the Property to Buyer are subject to the satisfaction of the following conditions or Seller's written waiver (in Seller's sole discretion) of such conditions on or before the Closing Date:

(a) Buyer has deposited into the Escrow the full amount of the Purchase Price, and all other costs required by this Agreement to be paid by Buyer.

(b) Buyer has deposited into the Escrow a fully executed Acceptance of Grant Deed, and all other documents to be submitted by Buyer pursuant to this Agreement, all duly executed by Buyer.

(c) Buyer has performed all obligations to be performed by Buyer pursuant to this Agreement before Closing Date.

(d) Buyer's representations and warranties set forth herein are true and correct in all material respects as of the Closing Date.

5.4 Conveyance of Title. Seller will deliver marketable fee simple title to Buyer at the Closing, subject only to the exceptions to title which have been approved by Buyer.

5.5 Deliveries at Closing.

(a) Deliveries by Seller. Seller shall deposit into the Escrow for delivery to Buyer at Closing: (i) a grant deed, substantially in the form attached hereto as Exhibit B ("**Grant Deed**"); (ii) an affidavit or qualifying statement which satisfies the requirements of paragraph 1445 of the Internal Revenue Code of 1986, as amended, any regulations thereunder (the "**Non-Foreign Affidavit**"); (iii) a California Franchise Tax Board form 590 (the "**California Certificate**") to satisfy the requirements of California Revenue and Taxation Code Section 18805(b) and 26131.

(b) Deliveries by Buyer. No less than one (1) business day prior to the close of escrow, Buyer shall deposit into Escrow a signed acceptance of Grant Deed, and immediately available funds in the amount, which, together with the Deposit, is equal to: (i) the Purchase Price as adjusted by any prorations between the Parties; (ii) the Escrow fees and recording fees; and (iii) the cost of the Title Policy.

(c) Closing. Upon Closing, Escrow Holder shall: (i) record the Grant Deed; (ii) disburse to Seller the Purchase Price, less commissions due to Seller's agent and documentary transfer taxes and governmental conveyance fees; (iii) deliver to Buyer the Non-Foreign Affidavit, the California Certificate and a certified copy of the executed Grant Deed; (iv) pay any commissions and other expenses payable through escrow; and (v) distribute to itself the payment of Escrow fees and expenses required hereunder.

(d) Closing Costs. Buyer will pay all Escrow fees, recording fees, title insurance and title report costs. Seller will pay all documentary transfer taxes and governmental conveyance fees, if applicable.

(e) Prorations. At the Close of Escrow, the Escrow Agent shall make the following prorations: (i) if the current installment of property taxes and assessments have not been paid by Seller prior to the Closing, property taxes will be prorated as of the Close of Escrow based upon the most recent tax bill available, including any ad valorem or property taxes which may be assessed after the Close of Escrow but which pertain to the period prior to the transfer of title to the Property to Buyer; (ii) if the current installment of property taxes and assessments has been paid by Seller prior to the Closing, there shall be no proration of property taxes and assessments, and Seller shall be responsible for applying for a refund of any overpayment of property taxes and assessments as a result of the acquisition of the Property by a public agency; and (iii) any bond or assessment that constitutes a lien on the Property at the Close of Escrow will be assumed by Buyer.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS.

6.1 Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of Seller contained in other sections of this Agreement, Seller hereby represents, warrants and covenants to Buyer that the statements below in this Section 6.1 are each true and correct as of the Closing Date; provided however, if to Seller's actual knowledge any such statement becomes untrue prior to Closing, Seller will notify Buyer in writing and Buyer will have three (3) business days thereafter to determine if Buyer wishes to proceed with Closing. If Buyer determines it does not wish to proceed, then the terms of Section 3.4 will apply.

(a) Authority. Seller has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. This Agreement has been duly executed by Seller, and upon delivery to and execution by Buyer is a valid and binding agreement of Seller. All the instruments, agreements and other documents executed by Seller that are to be delivered to Buyer at Closing are and at the time of Closing will be duly authorized, executed and delivered by Seller, and will be the valid and binding agreements and obligations of Seller enforceable in accordance with their respective terms.

(b) Encumbrances. Seller has not alienated, encumbered, transferred, mortgaged, assigned, pledged, leased or otherwise conveyed its interest in the Property or any portion thereof, nor entered into any Agreement to do so, there are no liens, encumbrances, mortgages, covenants, conditions, reservations, restrictions, easements or other matters affecting the Property, except as disclosed in the Preliminary Report, and as of the Close of Escrow there are no leases of any portion of the Property. Seller will not, directly or indirectly, alienate, encumber, transfer, mortgage, assign, pledge, lease or otherwise convey its interest prior to the Close of Escrow, as long as this Agreement is in force. For the purposes of this Agreement, the terms "encumbrances" and "leases" do not include the existing month to month rental agreements with existing tenants., which agreements will be assigned to Buyer upon close of escrow.

(c) Other Agreements. There are no agreements affecting the Property except those which have been disclosed by Seller. There are no agreements which will be binding on the Buyer or the Property after the Close of Escrow, which cannot be terminated on thirty (30) days prior written notice.

(d) Litigation. There is no pending, or, to Seller's actual knowledge, threatened litigation, administrative proceeding or other legal or governmental action with respect to the Property.

(e) Disclosure. Seller has disclosed all material facts with respect to the Property of which Seller has actual knowledge, and Seller further represents that it has performed a reasonably diligent search of Seller's place of business for non-privileged documents relevant and material to the condition of the Property and provided a copy of such documents to Buyer.

(f) Non-Foreign Person. Seller is not a foreign person as defined in Internal Revenue Code section 1445(f)(3).

(g) Title. Except as disclosed herein, and in the Preliminary Report, Seller has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the Property owned or claimed by anyone other than Seller.

The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Seller contained in this Agreement are conditions precedent to Buyer's obligation to proceed with the Closing hereunder. The foregoing representations and warranties shall survive the expiration, termination, or close of escrow of this Agreement and shall not be deemed merged into the deed upon closing.

6.2 Buyer's Representations and Warranties. In addition to the representations, warranties and covenants of Buyer contained in other sections of this Agreement, Buyer hereby represents, warrants and covenants to Seller that the statements below in this Section 6.2 are each true as of the Effective Date, and, if to Buyer's actual knowledge any such statement becomes untrue prior to Closing, Buyer shall so notify Seller in writing and Seller shall have at least three (3) business days thereafter to determine if Seller wishes to proceed with Closing.

(a) Buyer is a municipal corporation, lawfully formed, in existence and in good standing under the laws of the State of California. Buyer has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. This Agreement has been duly executed by Buyer, and upon delivery to and execution by Seller shall be a valid and binding agreement of Buyer.

(b) Buyer is not bankrupt or insolvent under any applicable federal or state standard, has not filed for protection or relief under any applicable bankruptcy or creditor protection statute, and has not been threatened by creditors with an involuntary application of any applicable bankruptcy or creditor protection statute.

The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Buyer contained in this Agreement are conditions precedent to Seller's obligation to proceed with the Closing hereunder.

(c) **"AS IS" Sale**. Except for Seller's express covenants, representations and warranties contained in this Agreement, and any disclosures that may be made by Seller to Buyer pursuant to Section 4.2, Buyer acknowledges that neither Seller nor Seller's partners, affiliates, members, shareholders, officers, directors, managers or employees and each of their respective heirs, successors, personal representatives and assigns (collectively, the "*Seller Parties*") have made any representations, guaranties, promises, statements, assurances or warranties, express or implied, to Buyer including, without limitation, any pertaining to (a) the suitability of the Property for any purpose, (b) the physical or environmental condition thereof, (c) the suitability, habitability or merchantability or fitness of the Property for Buyer's intended use or for any use whatsoever, (d) the rentals, income or expenses thereof, (e) the net or gross acreage contained therein, (f) the zoning thereof, (g) the condition of title thereto, (h) the existence or satisfaction of any local, state or federal approvals or permits for the development or use thereof, (i) the availability or existence of water, sewer or other utilities, (j) the existence or nonexistence of any Hazardous Materials in, on or under the Property, or (k) as to any other past, present or future matter whatsoever.

Buyer acknowledges and agrees that, except for Seller's express covenants, representations and warranties contained in this Agreement, and any disclosures that may be made by Seller to Buyer pursuant to Section 4.2, Buyer has satisfied itself regarding the condition of the Property, and that the Property will be purchased "AS IS AND WITH ALL FAULTS." Except for Seller's express covenants, representations and warranties contained in this Agreement, and any disclosures that may be made by Seller to Buyer pursuant to Section 4.2, Buyer further acknowledges that it is not relying on any representations, guaranties, promises, statements, assurances or warranties, express or implied, by Seller or anyone acting or claiming to act on Seller's behalf concerning the Property or the transaction contemplated hereunder and that Buyer is instead relying solely on its own inspections and investigations and the advice of its own advisors.

~~(d). Release and Disclaimer. Except for Seller's express covenants, representations and warranties contained in this Agreement, Buyer hereby voluntarily and knowingly waives, releases and forever discharges Seller and Seller Parties from and against any and all rights, claims, demands, causes of action, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, existing and future, contingent or otherwise (including any action or proceeding, brought or threatened, or ordered by any governmental entity) at law or in equity, whether made, suffered or incurred by Buyer or any of its affiliates, successors and assigns and whether known or unknown at the time of this Agreement, which Buyer has or may have in the future, arising out of the physical, environmental, economic, zoning, legal, title and/or financial condition of the Property, the tenants, the leases or Seller's disclosures, including, without limitation, any of the matters referenced in clauses (a) through and including (k) of the first sentence of Section 6.2(e), above, and any claim for indemnification, contribution or otherwise arising under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, *et. seq.*), or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters (including without limitation, under the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act, and the Toxic Substance Control Act, all as amended, or any Environmental Laws) or relating to the presence, misuse, use, disposal, release or threatened release of any Hazardous Materials, chemicals or wastes at the Property, the presence or absence of mold, spores, fungi, pollen or other botanical allergens at the Property, or any other cause of action based on any other state, local, or federal Environmental Laws, rule or regulation; provided, however, the foregoing release shall not operate to release any claim by Buyer against any person or entity other than those described in this section.~~

~~Buyer acknowledges and agrees that the foregoing waiver, release and discharge includes all claims and matters which are unknown to Buyer as of the Effective Date and the Closing. Buyer hereby specifically waives the provisions of section 1542 of the California Civil Code ("*Section 1542*") and any similar law of any other state, territory or jurisdiction. Section 1542 provides:~~

~~A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE~~

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~~MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.~~

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Buyer's Initials

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7. **REMEDIES.** In the event of a breach or default under this Agreement by Seller, if such breach or default occurs prior to Close of Escrow, Buyer reserves the right to either (a) seek specific performance from Seller or (b) to do any of the following: (i) to waive in writing the breach or default and proceed to close as provided herein; (ii) to extend the time for performance and the Closing Date until Seller is able to perform; or (iii) to terminate this Agreement upon written notice to Seller, whereupon Seller shall cause Escrow Holder to return to Buyer any and all sums placed into the Escrow by Buyer, and except for the rights and obligations expressly provided to survive termination of this Agreement, neither party shall have any further obligations or liabilities hereunder.

IN THE EVENT OF A BREACH OR DEFAULT HEREUNDER BY BUYER AND THE CLOSING DOES NOT OCCUR DUE TO SUCH DEFAULT, SELLER'S SOLE REMEDY SHALL BE TO RETAIN THE DEPOSIT AS LIQUIDATED DAMAGES. THE PARTIES AGREE THAT IN SUCH INSTANCE, THE DEPOSIT REPRESENTS A REASONABLE APPROXIMATION OF SELLER'S DAMAGES AND IS NOT INTENDED AS A FORFEITURE OR PENALTY BUT RATHER AN ENFORCEABLE LIQUIDATED DAMAGES PROVISION PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671, ET SEQ. IN NO EVENT SHALL EITHER PARTY BE ENTITLED TO LOST PROFITS OR CONSEQUENTIAL DAMAGES AS A RESULT OF THE OTHER PARTY'S BREACH OF THIS AGREEMENT.

Buyer's Initials

Seller's Initials

8. **BROKERS.** Seller represents that they have retained a real estate broker in relation to the sale of the Property and negotiation of this Agreement. Buyer represents that no real estate broker has been retained by Buyer in the procurement of the Property or negotiation of this Agreement. Seller shall indemnify, hold harmless and defend Buyer from any and all claims, actions and liability and any commission, finder's fee, or similar charges from Seller's broker, and its respective employees, agents, consultants and contractors.

9. **ASSIGNMENT.** Absent an express signed written agreement between the Parties to the contrary, neither Seller nor Buyer may assign its rights or delegate its duties under this Agreement without the express written consent of the other. No permitted assignment of any of the rights or obligations under this Agreement shall result in a novation or in any other way release the assignor from its obligations under this Agreement.

10. ENVIRONMENTAL INDEMNITY.

10.1. In general. ~~To~~ Except as provided below or released above in Section 6.2, to the fullest extent allowed by law, Seller agrees to unconditionally and fully indemnify, protect, defend (with counsel satisfactory to Buyer), and hold Buyer, and its respective elected and appointed officers, officials, employees, agents, consultants, contractors harmless from and against any and all claims (including without limitation third party claims for personal injury, real or personal property damage, or damages to natural resources), actions, administrative proceedings (including without limitation both formal and informal proceedings), judgments, damages, punitive damages, penalties, fines, costs (including without limitation any and all costs relating to investigation, assessment, analysis or clean-up of the Property), liabilities (including without limitation sums paid in settlements of claims), interest, or losses, including reasonable attorneys' and paralegals' fees and expenses (including without limitation any such fees and expenses incurred in enforcing this Agreement or collecting any sums due hereunder), together with all other costs and expenses of any kind or nature (collectively, the "Costs") that arise directly or indirectly from or in connection with the presence, suspected presence, release, or suspected release, of any Hazardous Materials in, on or under the Property or in or into the air, soil, soil gas, groundwater, or surface water at, on, about, around, above, under or within the Property, or any portion thereof, as of or prior to the Close of Escrow, except those Costs that arise solely as a result of actions by Buyer, or Buyer's agents, employees, or contractors. The indemnification provided pursuant to this Section 10 shall specifically apply to and include claims or actions brought by or on behalf of employees of Seller or any of its predecessors in interest and Seller hereby expressly waives any immunity to which Seller may otherwise be entitled under any industrial or worker's compensation laws. In the event the Buyer suffers or incurs any Costs, Seller shall pay to Buyer the total of all such Costs suffered or incurred by Buyer upon demand therefore by Buyer. The indemnification provided pursuant to this Section shall include, without limitation, all loss or damage sustained by the Buyer due to any non-excepted Hazardous Materials: (a) that are present or suspected by a governmental agency having jurisdiction to be present in the Property or in the air, soil, soil gas, groundwater, or surface water at, on, about, above, under, or within the Property (or any portion thereof) or to have emanated from the Property, as of or prior to the Close of Escrow, or (b) that migrate, flow, percolate, diffuse, or in any way move onto, into, or under the air, soil, soil gas, groundwater, or surface water at, on, about, around, above, under, or within the Property (or any portion thereof) after the date of this Agreement as a result of ~~Buyer's Seller's Buyer's~~ or its predecessors' activities on the Property, or those of ~~Buyer's Seller's Buyer's~~ agents, employees, or contractors, prior to the Close of Escrow. The provisions of this Section 10 shall survive the termination of this Agreement and the Close of Escrow.

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10.2. Indemnity Exceptions. ~~The foregoing indemnity will not apply to: (1) the presence or release of any Hazardous Materials or similar environmental condition that has been actually discovered, should have been discovered through the exercise of reasonable diligence, or disclosed during the Due Diligence Contingency Period and Buyer elects to proceed with the purchase following the expiration of the Due Diligence Contingency Period; or (2) specifically the presence of any asbestos, asbestos containing materials, or mold in the existing improvements ; Seller has no knowledge concerning the presence of asbestos, asbestos containing materials, or mold in the existing improvements and makes no representation or warranty on those subjects. If Buyer proceeds with the purchase of the Property following the expiration of the Due Diligence~~

Contingency Period, it will be Buyer's sole responsibility and cost to abate or remove any asbestos, asbestos containing materials, or mold.

11. HAZARDOUS MATERIALS; DEFINITIONS.

11.1 Hazardous Materials. As used in this Agreement, "**Hazardous Materials**" means any chemical, compound, material, mixture, or substance that is now or may in the future be defined or listed in, or otherwise classified pursuant to any Environmental Laws (defined below) as a "hazardous substance", "hazardous material", "hazardous waste", "extremely hazardous waste", "infectious waste", "toxic substance", "toxic pollutant", or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, or toxicity. The term "Hazardous Materials" shall also include asbestos or asbestos-containing materials, radon, chrome and/or chromium, polychlorinated biphenyls, petroleum, petroleum products or by-products, petroleum components, oil, mineral spirits, natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable as fuel, perchlorate, and methyl tert butyl ether, whether or not defined as a hazardous waste or hazardous substance in the Environmental Laws.

11.2 Environmental Laws. As used in this Agreement, "**Environmental Laws**" means any and all federal, state and local statutes, ordinances, orders, rules, regulations, guidance documents, judgments, governmental authorizations or directives, or any other requirements of governmental authorities, as may presently exist, or as may be amended or supplemented, or hereafter enacted, relating to the presence, release, generation, use, handling, treatment, storage, transportation or disposal of Hazardous Materials, or the protection of the environment or human, plant or animal health, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. § 9601), the Hazardous Materials Transportation Act (49 U.S.C. § 1801 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Toxic Substances Control Act (15 U.S.C. § 2601 *et seq.*), the Oil Pollution Act (33 U.S.C. § 2701 *et seq.*), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 *et seq.*), the Porter-Cologne Water Quality Control Act (Cal. Water Code § 13000 *et seq.*), the Toxic Mold Protection Act (Cal. Health & Safety Code § 26100, *et seq.*), the Safe Drinking Water and Toxic Enforcement Act of 1986 (Cal. Health & Safety Code § 25249.5 *et seq.*), the Hazardous Waste Control Act (Cal. Health & Safety Code § 25100 *et seq.*), the Hazardous Materials Release Response Plans & Inventory Act (Cal. Health & Safety Code § 25500 *et seq.*), and the Carpenter-Presley-Tanner Hazardous Substances Account Act (Cal. Health and Safety Code, Section 25300 *et seq.*).

12. MISCELLANEOUS.

12.1 Attorneys' Fees. If any party employs counsel to enforce or interpret this Agreement, including the commencement of any legal proceeding whatsoever (including insolvency, bankruptcy, arbitration, mediation, declaratory relief or other litigation), the prevailing party shall be entitled to recover its reasonable attorneys' fees and court costs (including the service of process, filing fees, court and court reporter costs, investigative fees, expert witness fees, and the costs of any bonds, whether taxable or not) and shall include the right to recover such fees and

costs incurred in any appeal or efforts to collect or otherwise enforce any judgment in its favor in addition to any other remedy it may obtain or be awarded. Any judgment or final order issued in any legal proceeding shall include reimbursement for all such attorneys' fees and costs. In any legal proceeding, the "prevailing party" shall mean the party determined by the court to most nearly prevail and not necessarily the party in whose favor a judgment is rendered.

12.2 Interpretation. This Agreement has been negotiated at arm's length and each party has been represented by independent legal counsel in this transaction and this Agreement has been reviewed and revised by counsel to each of the Parties. Accordingly, each party hereby waives any benefit under any rule of law (including Section 1654 of the California Civil Code) or legal decision that would require interpretation of any ambiguities in this Agreement against the drafting party.

12.3 Survival. All indemnities, covenants, representations and warranties contained in this Agreement shall survive Close of Escrow.

12.4 Successors. Except as provided to the contrary in this Agreement, this Agreement shall be binding on and inure to the benefit of the Parties and their successors and assigns.

12.5 Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California.

12.6 Integrated Agreement; Modifications. This Agreement contains all the agreements of the Parties concerning the subject hereof any cannot be amended or modified except by a written instrument executed and delivered by the parties. There are no representations, agreements, arrangements or understandings, either oral or written, between or among the parties hereto relating to the subject matter of this Agreement that are not fully expressed herein. In addition there are no representations, agreements, arrangements or understandings, either oral or written, between or among the Parties upon which any party is relying upon in entering this Agreement that are not fully expressed herein.

12.7 Severability. If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, any such provision shall not be affected by the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions of this Section, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision this is in keeping with the intent of the Parties as expressed herein.

12.8 Notices. Any delivery of this Agreement, notice, modification of this Agreement, collateral or additional agreement, demand, disclosure, request, consent, approval, waiver, declaration or other communication that either party desires or is required to give to the other party or any other person shall be in writing. Any such communication may be served personally, or by nationally recognized overnight delivery service (i.e., Federal Express) which provides a receipt of delivery, or sent by prepaid, first class mail, return receipt requested to the party's address as set forth below:

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To Seller: Camino Royale Investment Corporation
Attn: Seuresh Gandhi

Somil Gandhi

To Buyer: City of South San Francisco
400 Grand Avenue
South San Francisco, CA 94080
Attn: City Manager, Mike Futrell

If to Escrow Holder: Chicago Title Company
333 Gellert Blvd, Suite 211
Daly City, California 94015
Attn: Jayson Yambao, Senior Escrow Officer

Any such communication shall be deemed effective upon personal delivery or on the date of first refusal to accept delivery as reflected on the receipt of delivery or return receipt, as applicable. Any party may change its address by notice to the other party. Each party shall make an ordinary, good faith effort to ensure that it will accept or receive notices that are given in accordance with this section and that any person to be given notice actually receives such notice.

12.9 Time. Time is of the essence to the performance of each and every obligation under this Agreement.

12.10 Days of Week. If any date for exercise of any right, giving of any notice, or performance of any provision of this Agreement falls on a Saturday, Sunday or holiday, the time for performance will be extended to 5:00 p.m. on the next business day.

12.11 Reasonable Consent and Approval. Except as otherwise provided in this Agreement, whenever a party is required or permitted to give its consent or approval under this Agreement, such consent or approval shall not be unreasonably withheld or delayed. If a party is required or permitted to give its consent or approval in its sole and absolute discretion or if such consent or approval may be unreasonably withheld, such consent or approval may be unreasonably withheld but shall not be unreasonably delayed.

12.12 Further Assurances. The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

12.13 Waivers. Any waiver by any party shall be in writing and shall not be construed as a continuing waiver. No waiver will be implied from any delay or failure to take action on account of any default by any party. Consent by any party to any act or omission by

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another party shall not be construed to be consent to any other subsequent act or omission or to waive the requirement for consent to be obtained in any future or other instance.

12.14 Signatures/Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any one of such completely executed counterparts shall be sufficient proof of this Agreement.

12.15 Date and Delivery of Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Parties intend that this Agreement shall be deemed effective, and delivered for all purposes under this Agreement, and for the calculation of any statutory time periods based on the date an agreement between the Parties is effective, executed, or delivered, as of the Effective Date.

12.16 Representation on Authority of Parties. Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such Party's obligations hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

12.17 Possession. At Closing, Seller shall deliver sole and exclusive possession of the Property to Buyer.

12.18 Approvals. Whenever this Agreement calls for Buyer approval, consent, extension or waiver, the written approval, consent, or waiver of the Buyer's City Manager or his or her designee(s) shall constitute the approval, consent, extension or waiver of the Buyer, without further authorization required from the Buyer's City Council. Buyer hereby authorizes the City Manager and his or her designee(s) to deliver any such approvals, consents, or extensions or waivers as are required by this Agreement, or that do not otherwise reduce Buyer's rights under this Agreement, and to waive requirements under this Agreement, on behalf of the Buyer.

[SIGNATURES ON FOLLOWING PAGE]

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

BUYER:

CITY OF SOUTH SAN FRANCISCO

By: _____
Mike Futrell
City Manager

ATTEST:

By: _____
Rosa Govea Acosta
City Clerk

APPROVED AS TO FORM:

By: _____
Sky Woodruff
City Attorney

SELLER:

CAMINO ROYALE INVESTMENT CORPORATION,
a California corporation

By: _____
Suresh Gandhi
Its: _____

SOMIL GANDHI

By: _____
Somil Gandhi

Exhibit A**LEGAL DESCRIPTION**

That real property in the City of South San Francisco, County of San Mateo, State of California, described as follows:

A portion of Lots 9 and "A" in Block 12, as shown on the map entitled "Rancho Buri-Buri, South San Francisco, California" filed in the Office of the Recorder of the County of San Mateo, State of California, on March 22, 1946, in Book 25 of Maps, at Pages 28, 29 and 30, more particularly described as follows:

Beginning at a point on the Southwesterly line of Camaritas Avenue, as shown on the map entitled "Record of Survey, of Proposed Extension of Camaritas Avenue through Lot A of Map Entitled Rancho Buri-Buri", filed July 25, 1955, in Book 3 of Licensed Land Surveyors Maps at Page 56, San Mateo County Records with the Southeasterly line of the parcel described in the Deed to A. Friedman and wife, dated March 26, 1956, in Book 2999, Page 97, San Mateo County Records; thence from said point of beginning along said Southwesterly line of Camaritas Avenue South $62^{\circ} 17' 30''$ East, 193.16 feet to a point on the Northerly line of the parcel described in the Deed to San Mateo County, recorded October 26, 1970, in Book 5850, Page 536, San Mateo County Records; thence along the exterior line of said San Mateo County parcel the following four (4) courses: 1) along the arc of a curve to the right, having a radius of 30.00 feet, through an angle of $90^{\circ} 11' 50''$, an arc distance of 47.23 feet; 2) South $78^{\circ} 36' 35''$ West, 112.33 feet to the Northeasterly line of the easement described in the Deed to the City of South San Francisco, recorded May 8, 1946, in Book 1270, Page 403, San Mateo County Records, 3) along said Northeasterly line South $56^{\circ} 24' 00''$ East, 15.56 feet, and 4) South $78^{\circ} 36' 35''$ West, 141.44 feet to a point on a line parallel with and 50.00 feet Southwesterly of the Northeasterly line of said Lot 9; thence along said parallel line North $56^{\circ} 24' 00''$ West, 281.54 feet to the Southeasterly line of Arroyo Drive, as shown on said Map of Rancho Buri-Buri (25 M 28); thence along said Southeasterly line along the arc of a curve to the left, the center of which bears North $20^{\circ} 45' 12''$ West, having a radius of 462.265 feet, through an angle of $12^{\circ} 48' 38''$, an arc distance of 103.35 feet to the Southwesterly line of said parcel described in the Deed to A. Friedman and wife (2999 OR 97); thence leaving said Southeasterly line of Arroyo Drive, along said Southwesterly and Southeasterly lines of said A. Friedman and wife parcel South $56^{\circ} 24' 00''$ East, 179.95 feet and North $27^{\circ} 42' 30''$ East, 96.95 feet to the point of beginning.

Said description shown above is pursuant to that certain Certificate of Compliance of Lot Line Adjustment recorded October 1, 2019, as Instrument No. 2019-081155, of Official Records.

APN: **010-402-240**

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EXHIBIT B

**Recording Requested by
and When Recorded, Return to:**

City of South San Francisco
400 Grand Avenue
South San Francisco, CA 94080
Attn: City Clerk

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

Exempt from Documentary Transfer Tax
Per Rev. & Tax. Code § 11922
Governmental Agency acquiring title

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged, as of _____, 2021, Camino Royale Investment Corporation, a California corporation, and Somil Gandhi, _____, hereby grant to the City of South San Francisco, a California municipal corporation, all that real property located in the City of South San Francisco, County of San Mateo, State of California and more particularly described in Attachment No. 1 hereto and incorporated in this Grant Deed by this reference.

CAMINO ROYALE INVESTMENT CORPORATION,
a California corporation

By: _____
Suresh Gandhi
Its: _____

SOMIL GANDHI

By: _____
Somil Gandhi

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Attachment No. 1 to Grant Deed

LEGAL DESCRIPTION

That real property in the City of South San Francisco, County of San Mateo, State of California, described as follows:

A portion of Lots 9 and "A" in Block 12, as shown on the map entitled "Rancho Buri-Buri, South San Francisco, California" filed in the Office of the Recorder of the County of San Mateo, State of California, on March 22, 1946, in Book 25 of Maps, at Pages 28, 29 and 30, more particularly described as follows:

Beginning at a point on the Southwesterly line of Camaritas Avenue, as shown on the map entitled "Record of Survey, of Proposed Extension of Camaritas Avenue through Lot A of Map Entitled Rancho Buri-Buri", filed July 25, 1955, in Book 3 of Licensed Land Surveyors Maps at Page 56, San Mateo County Records with the Southeasterly line of the parcel described in the Deed to A. Friedman and wife, dated March 26, 1956, in Book 2999, Page 97, San Mateo County Records; thence from said point of beginning along said Southwesterly line of Camaritas Avenue South 62° 17' 30" East, 193.16 feet to a point on the Northerly line of the parcel described in the Deed to San Mateo County, recorded October 26, 1970, in Book 5850, Page 536, San Mateo County Records; thence along the exterior line of said San Mateo County parcel the following four (4) courses: 1) along the arc of a curve to the right, having a radius of 30.00 feet, through an angle of 90° 11' 50", an arc distance of 47.23 feet; 2) South 78° 36' 35" West, 112.33 feet to the Northeasterly line of the easement described in the Deed to the City of South San Francisco, recorded May 8, 1946, in Book 1270, Page 403, San Mateo County Records, 3) along said Northeasterly line South 56° 24' 00" East, 15.56 feet, and 4) South 78° 36' 35" West, 141.44 feet to a point on a line parallel with and 50.00 feet Southwesterly of the Northeasterly line of said Lot 9; thence along said parallel line North 56° 24' 00" West, 281.54 feet to the Southeasterly line of Arroyo Drive, as shown on said Map of Rancho Buri-Buri (25 M 28); thence along said Southeasterly line along the arc of a curve to the left, the center of which bears North 20° 45' 12" West, having a radius of 462.265 feet, through an angle of 12° 48' 38", an arc distance of 103.35 feet to the Southwesterly line of said parcel described in the Deed to A. Friedman and wife (2999 OR 97); thence leaving said Southeasterly line of Arroyo Drive, along said Southwesterly and Southeasterly lines of said A. Friedman and wife parcel South 56° 24' 00" East, 179.95 feet and North 27° 42' 30" East, 96.95 feet to the point of beginning.

Said description shown above is pursuant to that certain Certificate of Compliance of Lot Line Adjustment recorded October 1, 2019, as Instrument No. 2019-081155, of Official Records.

APN: 010-402-240

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CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed dated _____, 2021 from Camino Royale Investment Corporation, a California corporation, and Somil Gandhi, _____, (“Grantor”), to the City of South San Francisco (“City”), is hereby accepted on behalf of the City by the undersigned officer or agent pursuant to authority conferred by resolution of the City Council adopted on _____, and that the City consents to recordation of the Grant Deed in the official records of San Mateo County by its duly authorized officer.

Dated: _____, 2021

CITY OF SOUTH SAN FRANCISCO

By: _____

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7/23/21

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)
) ss.
County of _____)

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

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

WITNESS my hand and official seal.

NOTARY PUBLIC

DRAFT

7/23/21

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)
) ss.
County of _____)

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

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

WITNESS my hand and official seal.

NOTARY PUBLIC