

PURCHASE AND SALE AGREEMENT
Innovation Way, Sunnyvale, California

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is dated as of the Effective Date (as defined below), by and between the CITY OF SUNNYVALE, a California municipal corporation (the “**Seller**”), and GOOGLE LLC, a Delaware limited liability company or its assignee (the “**Buyer**”), collectively referred to as “the Parties”. The date this Agreement is executed by the last of Buyer and Seller shall be the “**Effective Date**” hereof.

IN CONSIDERATION of the respective agreements hereinafter set forth, Seller and Buyer agree as follows:

1. Property Included in Sale. Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase from Seller, subject to the terms and conditions set forth herein, the following:

(a) Real Property. All that certain real property consisting of approximately 5.01 gross acres of land located in the City of Sunnyvale, County of Santa Clara, State of California, as more particularly described in Exhibit A attached hereto (the “**Real Property**”);

(b) Appurtenances. All rights, privileges, easements and rights-of-ways appurtenant to, or used in connection with the beneficial use and enjoyment of, the Real Property (collectively, the “**Appurtenances**”), including, without limitation, (i) all easements, rights of way, privileges, licenses, rights, benefits, tenements and appurtenances pertaining to the Real Property; (ii) any strips or gores of land adjoining the Real Property; (iii) any land lying in or under the bed of any street, alley, road or right-of-way open or proposed, abutting or adjacent to the Real Property, (iv) riparian rights, and rights of ingress or egress or other interests in, on or to any land, highway, street, road or avenue, open or proposed in, on, across, in front of abutting or adjoining the Real Property, and (v) mineral, oil, gas and similar estates and rights;

(c) Improvements. All improvements and fixtures located on the Real Property, excluding any fixtures owned by tenants or leased by Seller from third parties, but including any structures presently located on the Real Property, and all apparatus, equipment and appliances (if any) owned by Seller and used in connection with the ownership, use, operation or occupancy of the Real Property (collectively, the “**Improvements**”), including without limitation, the satellite dish and related appurtenances currently located at the Property (collectively, the “**Satellite Dish**”);

(d) Intangible Property. All right, title and interest of Seller in and to any intangible personal property now or hereafter owned by Seller and used exclusively in the ownership, use and operation of the Real Property and Improvements, in each case only to the extent assignable, including the right to use any trade name now used in connection with the Real Property, and all certificates, permits, approvals and development rights, entitlements, plans and specifications related to the Real Property and Improvements, if any, and any contract or lease rights, agreements, utility contracts or other rights relating to the ownership, use and operation of the Property (as defined below) (collectively, the “**Intangible Property**”); and

All of the items referred to in Sections 1(a), 1(b), 1(c) and 1(d) above are hereinafter collectively referred to as the “**Property**.”

2. Purchase Price.

(a) Purchase Price. The purchase price for the Property is Twenty-One Million Dollars (\$21,000,000) (the “**Purchase Price**”).

(b) Payment of Purchase Price. The Purchase Price shall be paid as follows:

(i) Deposit. Within five (5) Business Days after the Effective Date, Buyer shall deposit in escrow with First American Title Insurance Company with an address of 1737 North First Street, Suite 500, San Jose, California 95112; Attn: Mike Hickey (email mhickey@firstam.com) (“**Escrow Holder**”), an initial deposit in the amount of Six Hundred Thousand Dollars (\$600,000) (the “**Initial Deposit**”). If Buyer elects to proceed with the purchase of the Property pursuant to Section 4(f) below, Buyer shall, within five (5) Business Days following the expiration of the Due Diligence Period (as defined below), deposit an additional amount of Six Hundred Thousand Dollars (\$600,000) (the “**Additional Deposit**”), and the Initial Deposit and Additional Deposit shall collectively be defined herein as the “**Deposit**” and shall thereafter be fully non-refundable other than in the event of the failure of a condition precedent benefiting Buyer beyond any appreciable cure period, Seller’s default hereunder, or as otherwise provided in this Agreement. All sums constituting the Deposit shall be held in an interest-bearing account as directed by Buyer, and interest accruing thereon shall be held for the account of Buyer. If the sale of the Property as contemplated hereunder is consummated, the Deposit plus interest accrued thereon shall be credited against the Purchase Price. If the sale of the Property is not consummated for any reason other than Buyer’s default hereunder, beyond any applicable notice and cure period, then the Deposit plus interest accrued thereon shall immediately be returned to Buyer. If the sale is not consummated because of Buyer’s default hereunder, the Deposit shall be paid to and retained by Seller as liquidated damages and Seller’s sole and exclusive remedy.

THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT OF A FAILURE TO CONSUMMATE THIS SALE BECAUSE OF A BUYER DEFAULT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE AMOUNT OF THE DEPOSIT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT SELLER WOULD INCUR IN SUCH EVENT; PROVIDED, HOWEVER, THAT THIS PROVISION WILL NOT LIMIT SELLER'S RIGHT TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' FEES NOR SELLER'S RIGHTS TO BUYER'S EXPRESS INDEMNITY OBLIGATIONS UNDER THIS AGREEMENT. THE PAYMENT OF SUCH AMOUNT IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE §§1671, 1676 AND 1677. SELLER HEREBY WAIVES THE PROVISIONS OF CALIFORNIA CIVIL CODE §3389. BY PLACING ITS INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, BUYER SHALL NOT BE IN DEFAULT WITH RESPECT TO ANY OF ITS OBLIGATIONS HEREUNDER (OTHER THAN ANY MONETARY OBLIGATIONS OF BUYER HEREUNDER) UNLESS AND UNTIL BUYER RECEIVES NOTICE FROM SELLER SPECIFYING SUCH DEFAULT AND BUYER FAILS TO CURE SUCH DEFAULT WITHIN FIVE (5) DAYS AFTER

RECEIPT OF SUCH NOTICE. FURTHER, NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IF SELLER OBTAINS ACTUAL KNOWLEDGE, PRIOR TO THE CLOSE OF ESCROW, THAT BUYER HAS BREACHED ANY COVENANT HEREUNDER (UNLESS SUCH BREACH RESULTED FROM BUYER'S WILLFUL ACTS), IF SELLER NONETHELESS ELECTS TO PROCEED TO THE CLOSE OF ESCROW, THEN ANY SUCH BREACH SHALL BE DEEMED WAIVED FOR PURPOSES HEREO. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS AGREEMENT, IN NO EVENT WHATSOEVER WILL EITHER BUYER OR SELLER BE ENTITLED TO RECOVER FROM THE OTHER ANY PUNITIVE, CONSEQUENTIAL OR SPECULATIVE DAMAGES.

INITIALS: Seller _____ Buyer _____

(ii) Balance of Purchase Price. At the Closing, the balance of the Purchase Price shall be paid to Seller in cash. Said cash sum shall be reduced by the amount of the Deposit plus accrued interest thereon (which shall be released by Escrow Holder to Seller at Closing) and by any credits due Buyer hereunder.

(iii) Independent Consideration. The Deposit being delivered by Buyer includes the amount of One Hundred No/100 Dollars (\$100.00) as independent consideration for Seller's performance under this Agreement ("**Independent Consideration**"), which shall be retained by Seller in all instances. If the Closing occurs or if this Agreement is terminated for any reason, then Escrow Holder shall first disburse to Seller from the Deposit, the Independent Consideration. The Independent Consideration shall be nonrefundable under all circumstances and shall not be applied to the Purchase Price at Closing. The Independent Consideration, plus Buyer's agreement to pay the costs provided in this Agreement, has been bargained for as consideration for Seller's execution and delivery of this Agreement and for Buyer's review, inspection and termination rights during the Due Diligence Period, and such consideration is adequate for all purposes under any applicable law or judicial decision.

3. Title to the Property.

(a) Title Policy. At the Closing, Seller shall convey to Buyer marketable and insurable fee simple title to the Property, by duly executed and acknowledged grant deed in the form attached hereto as **Exhibit B** (the "**Deed**"). Evidence of delivery of marketable and insurable fee simple title shall be the issuance by First American Title Insurance Company (the "**Title Company**") of an Extended Coverage Owner's Policy of Title Insurance, in the full amount of the Purchase Price, insuring fee simple title to the Property in Buyer, subject only to the following:

- (i) the Title Company's standard printed exceptions;
- (ii) zoning ordinances and regulations and other laws or regulations governing the Property;
- (iii) such other exceptions listed in the Title Report and approved or deemed approved by Buyer pursuant to Section 4(a) below, but excluding the **Excluded Exceptions** (as defined below);
- (iv) matters affecting title created by Buyer;
- (v) liens to secure taxes and assessments not yet due and payable; and

- (vi) matters that would be revealed by a current survey.

All such exceptions listed in Sections 3(a)(i) through (vii) are defined herein as the “**Permitted Exceptions**,” and the title policy described in this Section 3 is defined herein as the “**Title Policy**”. Notwithstanding the foregoing, (i) deeds of trust and/or mortgages, mechanic’s liens or other monetary liens or encumbrances on the Property (collectively, “**Liens**”), (ii) property taxes and assessments that may become delinquent prior to Closing, and (iii) exceptions or encumbrances to title which are created by Seller after the date of this Agreement (collectively, “**Excluded Exceptions**”) shall not be Permitted Exceptions hereunder, whether Buyer gives written notice of such or not, and shall be paid off, satisfied, discharged, cured and/or removed by Seller at or before Closing, the same being a condition precedent for the benefit of Buyer hereunder. Buyer may elect at Closing to effect cure of any Excluded Exceptions not cured by Seller by payment, from the proceeds otherwise constituting the Purchase Price, of amounts required to satisfy and cure such Excluded Exceptions.

4. Due Diligence Inspection.

(a) Title and Survey Review. Buyer’s obligation to purchase the Property is conditioned upon Buyer’s review and approval, in Buyer’s sole discretion, of title to the Property as follows:

(i) Title Review Documents. Within five (5) Business Days following the Effective Date, Buyer shall obtain from the Title Company a current preliminary title report on the Real Property (the “**Title Report**”), together with copies of the documents referred to in the Title Report. At the time of delivery of the Due Diligence Items (as defined below), Seller shall deliver to Buyer a copy of any existing survey of the Real Property and Improvements currently in the possession or control of Seller (any such survey being defined as the “**Existing Survey**”) or, if no Existing Survey exists, Seller shall so notify Buyer in writing. Seller shall not be required to obtain any additional survey, or any update, recertification or revision to the Existing Survey (if any). At Buyer’s option and sole cost, Buyer may obtain a recertification, revision or update to the Existing Survey (if any), or a new survey of the Property and Improvements by a licensed surveyor or civil engineer, containing such information as may be required to provide the basis for the Title Policy (any such recertified, revised, updated or new survey, the “**Updated Survey**”).

(ii) Title Review Procedure.

(A) Title Objection Period. Buyer shall advise Seller, not later than five (5) days prior to the expiration of the Due Diligence Period (the “**Title Objection Period**”), what exceptions to title will be accepted by Buyer. If Buyer elects at its sole option to obtain an Updated Survey, the Title Objection Period shall be extended with respect to any title exceptions which relate to the Updated Survey (the “**Survey-Related Exceptions**”) such that Buyer shall have until the earlier of two (2) Business Days after actual receipt of the Updated Survey or one (1) Business Day prior to expiration of the Due Diligence Period (the “**Survey Review Period**”) to review and approve or disapprove the Updated Survey and all Survey-Related Exceptions, provided, however that (i) prior to expiration of the scheduled Title Objection Period, Buyer shall provide Seller with a list of title exceptions that will require review of the Updated Survey in order to determine whether they are acceptable, (ii) Buyer shall provide Seller with a copy of the Updated Survey promptly upon its receipt, (iii) Buyer shall use commercially reasonable efforts to obtain the Updated Survey as soon as possible, and (iv) Buyer shall advise Seller what Survey-Related Exceptions will be accepted by Buyer prior to

expiration of the Survey Review Period. Buyer's failure to notify Seller of any objections to title exceptions shall, upon expiration of the Title Objection Period (as it may be extended), constitute Buyer's approval of the Title Report and all exceptions (other than any Excluded Exceptions) and of the condition of title to the Property, and of all matters revealed by the Existing Survey and any Updated Survey.

(B) Seller's Response. Seller shall have until the earlier of three (3) Business Days after receipt of Buyer's objections to title matters and one (1) Business Day prior to expiration of the Due Diligence Period (as such date may be extended with respect to Survey-Related Exceptions) to give Buyer notice: (x) that Seller will remove any objectionable exceptions from title and provide Buyer with evidence satisfactory to Buyer of such removal, or provide Buyer with evidence satisfactory to Buyer that said exceptions will be removed on or before the Closing; or (y) that Seller elects not to cause such exceptions to be removed.

(C) Buyer's Termination Option. If Seller gives Buyer notice under clause (y) in Section 4(a)(ii)(B) above, Buyer shall have until the later of (i) the end of the Due Diligence Period or (ii) three (3) Business Days after receipt of Seller's response with respect to any Survey-Related Exceptions to elect to proceed with the purchase and take the Property subject to such exceptions, or to terminate this Agreement. If Buyer fails to give Seller notice of its election prior to the date specified in the preceding sentence, Buyer shall be deemed to have approved the condition of title to the Property, including without limitation any Survey-Related Exceptions, but subject to Seller's obligations with respect to any Excluded Exceptions. If Seller gives notice pursuant to clause (x) in Section 4(a)(ii)(B) above and fails to remove any such objectionable exceptions that Seller has committed to remove from title prior to the Closing Date (as defined below), and Buyer is unwilling to take title subject thereto, such failure shall be deemed a Seller default if not cured by Seller within five (5) days after receipt of written notice from Buyer and, in addition to the other remedies set forth in this Agreement, Buyer may elect to terminate this Agreement and recover Buyer's Costs (as defined in Section 12(a)). If Buyer elects to terminate this Agreement pursuant to this Section 4(a), the Deposit and interest accrued thereon shall be returned to Buyer, and neither party shall have any further liability or obligations hereunder, except for Buyer's indemnification obligations hereunder that expressly state they will survive termination of this Agreement.

(D) Title Update or Supplement. Other than in connection with any Survey-Related Exceptions, which are addressed above, if any supplemental title report or update issued subsequent to the date of the original Title Report discloses any adverse matters not set forth on the original Title Report, then, no later than the later of (i) the expiration of the Title Objection Period, or (ii) three (3) Business Days after Buyer's receipt of such updated Title Report, Buyer shall have the right to object to any such matter, in which event the same procedures for response, termination and waiver set forth above in Section 4(a)(ii) including, without limitation, Seller's obligations with respect to the Excluded Exceptions, shall apply to such new objections, with Closing and all other dates set forth for performance of the parties' obligations hereunder adjusted accordingly.

(b) Due Diligence Review. Buyer's obligation to purchase the Property is conditioned upon Buyer's review and approval, prior to the expiration of the Due Diligence Period and in Buyer's sole discretion, of all matters pertaining to the physical, structural, electrical, mechanical, soil, drainage, environmental, economic, tenancy, zoning, land use and other governmental compliance matters

and conditions respecting the Property, including without limitation the Due Diligence Items (as defined below), all as provided in this Section 4(b). Within two (2) days following the Effective Date, Seller shall provide Buyer with the items listed on Exhibit D attached hereto (the “**Due Diligence Items**”). All references herein to the “**Due Diligence Period**” shall refer to the period which begins upon execution of this Agreement and ends at 6:00 p.m. Pacific Time on December 5, 2017, subject to extension pursuant to Section 4(a)(ii)(A) (with respect to Survey-Related Exceptions only) and/or Section 4(d) (with respect to the Phase II Report only). All references herein to the “**Due Diligence Contingency**” shall refer to the conditions benefiting Buyer that are described in Section 4(a) and this Section 4(b). In addition to the Due Diligence Items, Seller shall make available to Buyer at Seller’s offices located in Sunnyvale, California during the Due Diligence Period, upon reasonable prior notice and during normal business hours, any and all records and correspondence in Seller’s possession or control related to the Property (the “**Property Files**”). Buyer expressly agrees that Seller is furnishing the Due Diligence Items to Buyer and providing Buyer with access to the Property Files for informational purposes only and without representation or warranty as to the accuracy or completeness of the contents of such materials except as expressly provided in this Agreement.

(c) Entry. During the Due Diligence Period, Seller shall provide Buyer with reasonable access to the Property in accordance with the terms and conditions of this Section 4(c) in order for Buyer to investigate the Property and the physical conditions thereof, including without limitation such environmental, engineering and economic feasibility inspections and testing as Buyer may elect. Such access, investigation, inspections and tests shall be on the following terms and conditions:

(i) Buyer shall pay for all inspections and tests ordered by Buyer.

(ii) In connection with any entry by Buyer or its agents, employees or contractors onto the Property, Buyer shall give Seller reasonable advance notice of such entry. Without limiting the foregoing, prior to any entry to perform any on-site testing (including drilling, extracting soil samples and other invasive testing), Buyer shall give Seller written notice thereof, including the identity of the company or persons who will perform such testing and the proposed scope of the testing. Seller or its representative may, at Seller’s option, be present to observe any testing or other inspection performed on the Property.

(iii) Buyer shall maintain, and shall assure that its contractors maintain, public liability and property damage insurance in amounts and in form and substance consistent with the requirements agreed upon by the Parties in Section 6 of the Right of Entry and Access Agreement dated October 25, 2017, and adequate to insure against all liability of Buyer and its agents, employees or contractors arising out of any entry or inspections of the Property pursuant to the provisions hereof, and Buyer shall provide Seller with evidence of such insurance coverage upon request by Seller.

(iv) Buyer shall repair any damage to the Property caused by Buyer’s entry or testing and restore the Property to its condition prior to such testing, at Buyer’s sole cost and expense if this transaction does not close. Until restoration is complete, Buyer will take commercially reasonable steps to cause any conditions on the Property created by Buyer’s testing to not create any dangerous conditions on the Property. The foregoing covenant shall survive any termination of this Agreement.

(v) Buyer shall indemnify and hold Seller harmless from and against any costs, damages, liabilities, losses, expenses, liens or claims (including, without limitation, reasonable attorneys’ fees) resulting from any entry on the Property by Buyer, its agents, employees or contractors in the course of performing the inspections, tests or inquiries

provided for in this Agreement (but not including any claims resulting from the discovery or disclosure of pre-existing physical or environmental conditions or the non-negligent aggravation of pre-existing physical or environmental conditions on, in, under or about the Property). The foregoing indemnity shall survive the termination of this Agreement.

(d) Phase II Review. If Buyer elects in its sole discretion to obtain a Phase II Environmental Report with respect to the Property (the “**Phase II Report**”), the Due Diligence Period shall be extended with respect to any matters to be investigated and/or that are revealed by the Phase II Report, such that Buyer shall have until five (5) Business Days after actual receipt of the Phase II Report (the “**Phase II Review Period**”) to review and approve or disapprove the Phase II Report and all matters revealed by the Phase II Report; provided, however, that (i) within two (2) Business Days after receipt of a current Phase I Environmental Report with respect to the Property (which Buyer will order promptly following the Effective Date) Buyer shall notify Seller of Buyer's election to obtain a Phase II Report and shall order the Phase II Report, (ii) Buyer shall provide Seller with a list of matters to be investigated as part of the Phase II Report, (iii) Buyer shall provide Seller with a copy of the Phase II Report promptly upon its receipt, (iv) Buyer shall use commercially reasonable efforts to obtain the Phase II Report as soon as possible, and (v) Buyer shall advise Seller whether Buyer approves the Phase II Report and all environmental matters related to the Property prior to expiration of the Phase II Review Period.

(e) Service Contracts. Copies of all service contracts and other contracts and agreements (if any) currently in effect, relating to the ownership, operation and maintenance of the Property and entered into by Seller (collectively, the “**Service Contracts**”) are included in the Due Diligence Items; provided, however, that the term “**Service Contracts**” shall not include any existing property management agreement to which Seller is a party or any other agreement between Seller and its affiliates (which excluded agreements shall, as a condition to Buyer's obligation to close, be terminated by Seller at its expense on or prior to the Closing Date). Buyer shall have the right to approve, in its sole discretion and during the Due Diligence Period, the Service Contracts Buyer elects to assume upon Closing. At or prior to expiration of the Due Diligence Period, Buyer shall provide to Seller a schedule setting forth the list of all the Service Contracts that shall be assigned to, and assumed by, Buyer at the Closing, if any (the “**Assumed Contracts**”), which schedule will be attached to the Assignment of Service Contracts and Intangible Property as Exhibit B. Prior to Closing, Seller will terminate, at Seller's cost, for the benefit of Buyer all of the Service Contracts other than the Assumed Contracts. Without limiting the preceding sentence, at Buyer's request at any time after Buyer's satisfaction or waiver of the Due Diligence Contingency, Seller will deliver any required notices terminating such Service Contracts as Buyer may designate, as a courtesy to Buyer and without cost or liability to Seller.

(f) Approval of Condition of Property. If, prior to the expiration of the Due Diligence Period (as it may be extended pursuant to Section 4(a)(ii)(A) (with respect to Survey-Related Exceptions only) and/or Section 4(d) (with respect to the Phase II Review only), based upon such review, examination or inspection, Buyer determines in its sole and absolute discretion that it no longer intends to acquire the Property, then Buyer shall promptly notify Seller of such determination in writing, whereupon this Agreement, and the obligations of the parties to purchase and sell the Property hereunder, shall terminate. If, however, on or before the expiration of the Due Diligence Period, Buyer determines that the foregoing matters are acceptable to Buyer and that it intends to proceed with the acquisition of the Property, then Buyer shall promptly notify Seller of such determination in writing (“**Approval Notice**”), which Approval Notice will establish satisfaction or waiver of the Due Diligence Contingency. If Buyer fails to deliver the Approval Notice to Seller on or before the expiration of the Due Diligence Period, Buyer shall be deemed to have disapproved of all of the foregoing matters, this Agreement and the obligations of the parties hereunder shall terminate, and Escrow Holder shall promptly release the Deposit and interest accrued thereon to Buyer.

(g) Satisfaction of Due Diligence Contingency. If the Due Diligence Contingency is not satisfied on or before the end of the Due Diligence Period (or such later time as may be expressly provided herein or by mutual written agreement of Buyer and Seller), Seller will not be deemed to be in default and Buyer's sole remedy will be to terminate this Agreement and obtain the refund of the Deposit and interest accrued thereon, and neither party shall have any further obligation to or rights against the other except as expressly provided in this Agreement.

5. Conditions to Closing.

(a) Buyer's Conditions. In addition to the conditions set forth in Section 4, the following are conditions precedent to Buyer's obligation to purchase the Property:

(i) Accuracy of Seller's Representations and Warranties. Subject to Section 7(b), all of Seller's representations and warranties contained in or made pursuant to this Agreement shall be true and correct in all material respects as of the Closing Date.

(ii) No Seller Breach. There shall be no breach of Seller's covenants and obligations set forth in this Agreement beyond any applicable notice and cure period.

(iii) Seller's Deliveries. Seller shall have delivered the items described in Section 6(d) to Buyer or to Escrow Holder.

(iv) Title Insurance. As of the Closing, the Title Company will issue or have irrevocably committed to issue the Title Policy to Buyer, subject only to the Permitted Exceptions.

(v) No Change in Condition. On the Closing Date, the Property (including, without limitation, any Improvements) shall be in a state of repair at least as good as the state of repair as of the expiration of the Due Diligence Period, normal wear and tear alone excepted, and there shall be no material change in the physical or environmental condition of the Property as of the expiration of the Due Diligence Period.

The Closing pursuant to this Agreement shall be deemed a waiver by Buyer of all unfulfilled conditions hereunder benefiting Buyer.

(b) Seller's Conditions. It shall be a condition precedent to Seller's obligation to sell the Property that all of Buyer's representations and warranties contained in or made pursuant to this Agreement shall be true and correct in all material respects as of the Closing Date, that there shall be no breach of Buyer's covenants and obligations set forth in this Agreement beyond any applicable notice and cure period, and that Buyer shall have delivered the items described in Section 6(e) to Seller or to Escrow Holder. The Closing pursuant to this Agreement shall be deemed a waiver by Seller of all unfulfilled conditions hereunder benefiting Seller.

(c) Waiver of Conditions. The conditions set forth in Sections 4 and 5(a) are for the exclusive benefit of Buyer and the conditions set forth in Section 5(b) are for the exclusive benefit of Seller. If any of such conditions have not been satisfied or waived within the period provided, subject to Section 7(b), this Agreement may be terminated by the party benefiting from such condition, in which event the Deposit and all interest accrued thereon shall be returned to Buyer, and neither party shall have any further obligation to or rights against the other except as expressly provided in this Agreement. In the event that this Agreement terminates for a reason other than the default of Buyer or Seller under this Agreement, the cancellation charges required to be paid to Escrow Holder and the Title Company shall be

borne one-half (½) by Seller and one-half (½) by Buyer, and all other charges shall be borne by the party incurring same. In the event this Agreement terminates because of the default of Buyer or Seller, the defaulting party shall pay all such cancellation charges.

6. Closing and Escrow.

(a) Escrow Instructions. Upon execution of this Agreement, the parties hereto shall deposit an executed counterpart of this Agreement with Escrow Holder and this instrument shall serve as the instructions to Escrow Holder for consummation of the purchase and sale contemplated hereby. Seller and Buyer agree to execute such additional and supplementary escrow instructions as may be appropriate to enable Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement shall control.

(b) Closing. The Closing of the purchase and sale of the Property pursuant to this Agreement (the “**Closing**”) shall be held and delivery of all items to be made at the Closing under the terms of this Agreement shall be made at the offices of Escrow Holder on the date that is selected by Buyer by not less than five (5) Business Days prior written notice to Seller, which date shall be no earlier than fifteen (15) days and no later than sixty (60) days after the expiration of the Due Diligence Period, or such other date prior thereto as Buyer and Seller may mutually agree in writing (the “**Closing Date**”). Such date may not be extended without the prior written approval of both Seller and Buyer, except as otherwise expressly provided in this Agreement. If the Closing does not occur on or before the Closing Date, Escrow Holder shall, unless it is notified by both parties to the contrary within five (5) days after the Closing Date, return to the depositor thereof items which may have been deposited hereunder (other than the Deposit, which shall be governed by Section 2(b)(i)). Any such return shall not, however, relieve either party hereto of any liability it may have for its wrongful failure to close.

(c) Seller's Deliveries. At or before the Closing, Seller shall deliver to Buyer the following:

(i) the duly executed and acknowledged Deed conveying to the Buyer the Real Property, the Appurtenances and the Improvements;

(ii) two (2) duly executed and acknowledged counterparts of the Assignment of Service Contracts and Intangible Property in the form attached hereto as **Exhibit C**;

(iii) an affidavit pursuant to Section 1445(b)(2) of the Federal Code, and on which Buyer is entitled to rely, that Seller is not a “**foreign person**” within the meaning of Section 1445(f)(3) of the Federal Code;

(iv) a properly executed California Franchise Tax Board Form 593-C certifying that Seller has a permanent place of business in California or is qualified to do business in California;

(v) a closing statement prepared by Escrow Holder and approved in writing by Seller;

(vi) such resolutions, authorizations, bylaws or other corporate and/or partnership documents or agreements relating to Seller as shall be reasonably required in connection with this transaction;

(vii) a certificate of Seller, duly executed by Seller, confirming that all of the representations and warranties of Seller contained in Section 7(a) hereof are true and correct in all material respects as of the Closing Date, subject to modification for matters disclosed pursuant to Section 7(b) hereof;

(viii) originals or copies of any Assumed Contracts; and

(ix) any other documents, instruments or records which are reasonably required by Escrow Holder to close the escrow and consummate the purchase of the Property in accordance with the terms hereof.

(d) Buyer Deliveries. At or before the Closing, Buyer shall deliver to Seller the following:

(i) Cash or other immediately available funds in the amount of the Purchase Price (including the Deposit);

(ii) two (2) duly executed and acknowledged counterparts of the Assignment of Service Contracts and Intangible Property in the form attached hereto as Exhibit E;

(iii) such resolutions, authorizations, bylaws or other corporate and/or partnership documents or agreements relating to Buyer as shall be reasonably required in connection with this transaction;

(iv) a closing statement prepared by Escrow Holder and approved in writing by Buyer; and

(v) any other documents, instruments or records which are reasonably required by Escrow Holder to close the escrow and consummate the purchase of the Property in accordance with the terms hereof.

(e) Prorations.

(i) General Prorations. Real property taxes and assessments, utility charges, amounts payable under any Assumed Contracts and other expenses normal to the operation and maintenance of the Property, shall be prorated as of 12:01 a.m. on the Closing Date on the basis of a 365-day year. Buyer and Seller hereby agree that if any of the aforesaid prorations described in this Section 6(f)(i) cannot be calculated accurately on the Closing Date, then the same shall be calculated within sixty (60) days after the end of the calendar year in which the Closing occurs, and either party owing the other party a sum of money based on such subsequent proration(s) shall promptly pay said sum to the other party.

(ii) Tax Refunds. If any reduction in real estate taxes or assessments affecting the Property shall be granted for the tax year in which the Closing occurs, Seller shall be entitled to receive its pro rata share of such reduction that accrued prior to the Closing Date, in the form of a refund from the taxing authority or payment from Buyer upon Buyer's receipt of a refund or credit against current taxes or assessments which is attributable to any such reduction.

The provisions of this Section 6(e) shall survive Closing.

(f) Closing Costs and Adjustments. Seller shall pay the cost of any documentary stamp taxes, transfer taxes or similar taxes applicable to the sale of the Property. Seller shall pay the premium for the portion of the Title Policy attributable to “standard” coverage, and Buyer shall pay the incremental premium to obtain “extended” coverage and the cost of any endorsements to the Title Policy requested by Buyer. Recording fees and all other costs and charges of the escrow for the sale shall be paid in the manner customary for the county in which the Property is located or, if there is no custom, shall be split equally between Buyer and Seller. Buyer shall also pay to Seller in addition to the Purchase Price, the actual out-of-pocket costs paid by Seller for the payment of the invoiced closing costs payable by Seller pursuant to this Section 6(f), in an amount not to exceed Fifty Thousand Dollars (\$50,000).

(g) Utilities. Seller shall cooperate with Buyer to transfer all utilities for the Property to Buyer's name as of the Closing Date. Seller shall be entitled to recover any and all deposits with respect to the Property held by any utility company as of the Closing Date. To the extent Buyer fails to provide replacement deposits to any utility company such that Seller has not recovered its deposit at Closing, or if any such deposits are assignable and Seller elects to assign them to Buyer, the amount of such deposits shall be credited to Seller at Closing and the Purchase Price shall be adjusted accordingly. If Seller later receives any utility deposit that was credited to Seller at Closing, Seller shall deliver such deposit to Buyer.

(h) Possession. Possession of the Property shall be delivered to Buyer on the Closing Date.

7. Representations and Warranties.

(a) Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer that as of the date of this Agreement and, subject to Section 7(b) below, as of the Close of Escrow:

(i) No other person or entity has a contract or option to purchase, letter of intent, right of first refusal or first offer, or similar rights with respect to the Property that is now outstanding.

(ii) Seller now has or will obtain (at its cost) the right to consolidate and transfer fee simple ownership to the Property to Buyer prior to expiration of the Due Diligence Period.

(iii) Seller has received no written notice from any governmental authority with jurisdiction over the Property of any current violation by the Property of any laws or regulations applicable to the Property, and the Property is in compliance with any past notices of violations. Seller shall promptly provide Buyer with a copy of any such notices received after the Effective Date.

(iv) There are no Leases (as defined in Section 8(b) below) currently in effect with respect to the Property and there are no parties in possession of the Property, or any part thereof.

(v) There are no contracts or agreements relating to the ownership, operation and maintenance of the Property that will survive the Closing, other than the Service Contracts. To Seller's knowledge, there are no defaults under or with respect to the Service Contracts.

(vi) There is no litigation pending or threatened in writing against Seller with respect to the Property or Seller's ownership or operation of the Property.

(vii) No condemnation or eminent domain proceedings are pending or threatened against the Property.

(viii) Seller has provided to Buyer full and accurate copies of all material documents with respect to the Property that are in the possession of Seller, including the Due Diligence Items (including any Service Contracts and any and all information related to hazardous materials at the Property in Seller's or its authorized agents' or representatives' possession or of which Seller or its authorized agents or representatives are aware). The Due Diligence Items delivered to Buyer are true and complete copies of the same documents (originals or copies) that are in Seller's possession and used in connection with the operation and management of the Property. None of the Due Diligence Items provided to Buyer has been amended, modified or terminated except as disclosed in writing to Buyer.

(ix) Seller has received no notice of any violation of Environmental Laws or the presence or release of Hazardous Materials (as defined below) on or from the Property in violation of Environmental Laws except as may be disclosed in any environmental reports or assessments included in the Due Diligence Items. The term "**Environmental Laws**" means the Resource Conservation and Recovery Act and the Comprehensive Environmental Response Compensation and Liability Act and other federal laws governing the environment as in effect on the date of this Agreement, together with their implementing regulations, guidelines, rules or orders as of the date of this Agreement, and all state, regional, county, municipal and other local laws, regulations, ordinances, rules or orders that are equivalent or similar to the federal laws recited above or that purport to regulate Hazardous Materials.

(x) Seller has not entered into any contracts for the sale, exchange or other disposition of the Property, or any portion thereof, which are still in force and effect, nor has Seller granted any rights of first refusal or first offer, options or other rights of any Person to purchase all or any portion of the Property (other than Buyer's rights under this Agreement).

(xi) This Agreement and all documents executed by Seller which are to be delivered to Buyer at the Closing are or at the time of Closing will be duly authorized, executed, and delivered by Seller, and are or at the time of Closing will be legal, valid, and binding obligations of Seller.

(xii) Seller is duly organized, validly existing and in good standing under the laws of the State of California with full power to enter into this Agreement, and Seller is duly qualified to transact business in California. This Agreement and all other documents executed by Seller and delivered to Buyer prior to or at the Closing (i) have been, or will be when delivered, duly authorized, executed and delivered by Seller; (ii) are binding obligations of Seller; (iii) do not violate the provisions of any agreement to which Seller is party or which affects the Property; subject, however, to applicable bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and to principles of equitable remedies.

(xiii) Seller (a) is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Department of the Treasury as a terrorist, "**Specially Designated and Blocked Persons**", or other banned or blocked person, group, entity, nation or transaction pursuant to any law, order, rule, or

regulation that is enforced or administered by the Office of Foreign Asset Control (“**OFAC**”) of the United States Department of the Treasury; and (b) is not engaged, directly or indirectly, in any dealings or transactions and is not otherwise associated with such person, group, entity or nation.

(xiv) There are no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings pending or, to Seller’s actual knowledge, threatened against Seller.

(xv) The Satellite Dish currently located at the Property (a) is not currently in operation, and (b) is owned by Seller. No third party has any lease, license, easement or other rights with respect to the placement, use, operation, maintenance or ownership of the Satellite Dish. From and after the Closing Date, Buyer shall have the right but not the obligation, in its sole and absolute discretion, to remove the Satellite Dish, subject to securing any required demolition or other permits required for such removal from the City of Sunnyvale.

(b) Notice of Breaches of Representations and Warranties.

(i) Seller shall promptly notify Buyer in writing of any changed condition, receipt of notice or documentation, or acquired knowledge, that would alter any representation or warranty of Seller contained herein of which Seller becomes aware (any such changed condition, received notice or documentation or acquired knowledge being defined as a “**Changed Condition**”). Within five (5) Business Days after notification in writing by Seller to Buyer of any such Changed Condition, Seller, at Seller’s own option and expense, may elect by written notice to Buyer to remedy the Changed Condition such that Seller’s representations are accurate, and the Closing Date may be extended for up to ten (10) days after the scheduled Closing Date in order for Seller to effectuate such remedy. If Seller does not elect to effectuate such remedy so as to cause Seller’s representations to be accurate, or if Seller so elects but then fails to complete such remedy within such ten (10) day period, then Buyer may elect, by written notice to Seller given at any time thereafter, to terminate this Agreement, in which event (1) neither Buyer nor Seller shall have any further obligation under this Agreement, except for the obligations which expressly survive the termination of this Agreement, and (2) the Deposit shall be returned to Buyer. If, notwithstanding Seller’s election not to effectuate such remedy, Buyer elects to consummate the purchase of the Property, Seller shall not be liable to Buyer as a result of any inaccuracy in any representation or warranty of Seller contained herein that results from such Changed Condition.

(ii) Buyer shall promptly notify Seller in writing of any material inaccuracy in any representation or warranty of Seller contained herein of which Buyer becomes aware prior to the Close of Escrow (“**Known Misrepresentation**”). Within five (5) Business Days after notification in writing by Buyer to Seller of any Known Misrepresentation, Seller shall cure or remedy the underlying condition giving rise to such Known Misrepresentation, if such Known Misrepresentation is susceptible of cure, and the Closing Date shall be extended for up to ten (10) days after the scheduled Closing Date in order for Seller to effectuate such cure or remedy. If Seller is unable, despite Seller’s commercially reasonable efforts, to so cure or remedy the underlying condition giving rise to such Known Misrepresentation such that Seller’s representations are accurate within such ten (10) day period, then Buyer may elect, by written notice to Seller given at any time thereafter, to terminate this Agreement, in which event (1) neither Buyer nor Seller shall have any further obligation under this Agreement, except for the obligations which expressly survive the

termination of this Agreement, and (2) the Deposit shall be returned to Buyer. Subject to the last sentence of this Section 7(b), if, notwithstanding Seller's failure to cure or remedy any Known Misrepresentation or Changed Condition, Buyer elects to consummate the purchase of the Property, Seller shall not be liable to Buyer as a result of the resulting breach of Seller's representations and warranties except to the extent arising from Seller's fraud. In addition, if Buyer has actual knowledge of a breach of a representation or warranty prior to the Closing, and fails to notify Seller of any material inaccuracy in any representation or warranty of Seller contained herein prior to Closing, Seller shall not be liable to Buyer for loss or damages resulting from such inaccuracy except to the extent arising from Seller's fraud. Notwithstanding the foregoing, if a Known Misrepresentation was intentionally made by Seller, Seller shall in breach of a material obligation under this Agreement and Buyer shall have the remedies set forth in Section 12(a).

(c) Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller that as of the date of this Agreement and as of the Close of Escrow:

(i) Buyer is duly organized and validly existing under the laws of the State of Delaware and is qualified to do business and in good standing under the laws of the State of California; this Agreement and all documents executed by Buyer which are to be delivered to Seller at the Closing are or at the time of Closing will be duly authorized, executed, and delivered by Buyer, and are or at the Closing will be legal, valid, and binding obligations of Buyer, and do not and at the time of Closing will not violate any provisions of any agreement or judicial order to which Buyer is a party or to which it is subject.

(ii) Buyer (a) is not acting for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Department of the Treasury as a terrorist, "Specially Designated and Blocked Persons", or other banned or blocked person, group, entity, nation or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by OFAC; and (b) is not engaged in any dealings or transactions and is not otherwise associated with such person, group, entity or nation.

(d) Continuation and Survival. All representations and warranties by the respective parties contained herein or made in writing pursuant to this Agreement shall survive the execution and delivery of this Agreement and the delivery of the deed and transfer of title, provided that the non-representing party must give the representing party written notice of any claim it may have against the representing party for a breach of any such representation or warranty within twelve (12) months after the Closing Date (the "**Survival Period**"); provided however, that the foregoing limitation and Survival Period shall not apply to Seller's representation and warranty set forth in Section 7(a)(xv) which shall survive indefinitely. Any claim which either party may have at any time, whether known or unknown, which is not asserted within the Survival Period shall not be valid or effective, and the representing party shall have no liability with respect thereto

8. Seller's Covenants. Between the Seller's execution of this Agreement and the Closing:

(a) Continuing Operations. Seller shall continue to maintain and operate the Property in the same manner as before the making of this Agreement.

(b) No Lease(s). Seller shall not enter into any leases, licenses or other similar occupancy agreements (collectively, "**Leases**") with respect to the leasing or occupancy of the Property or any portion thereof or modify any existing Leases in each case without the prior written consent of Buyer,

which Buyer may grant or withhold in its sole discretion. Buyer shall respond to any request for approval within five (5) Business Days after receipt of Seller's request.

(c) No New Contracts. Seller shall not enter into any new Service Contracts or modify any Service Contracts or other similar arrangements pertaining to the Property that would be binding on the Buyer or Property after Closing or waive any rights of Seller thereunder, without in each case obtaining the prior written consent of Buyer, which Buyer may grant or withhold in its sole discretion. Buyer shall respond to any request for approval within five (5) Business Days after receipt of Seller's request.

(d) Insurance. Seller shall maintain all insurance currently in force with respect to the Property.

(e) No Transfer or Encumbrance. Seller shall not sell, mortgage, pledge, hypothecate, subdivide, or otherwise transfer or dispose of or encumber the Property or any interest therein or part thereof, nor shall Seller initiate, consent to, approve or otherwise take any action with respect to zoning or any other governmental rules or regulations applicable to the Property. Seller will not make any material alterations to the physical condition of Property unless required to prevent imminent damage to the Property.

9. Buyer's Review and Seller's Disclaimer.

(a) Buyer's Opportunity for Review. Prior to the expiration of the Due Diligence Period, Buyer will be given full opportunity to make a complete review and inspection of the Property, including, without limitation, all of the Due Diligence Items and any and all other matters and information provided by Seller or obtained or obtainable by Buyer (regardless of whether Buyer in fact obtains and/or reviews such information) relating to the physical, legal, economic and environmental condition of the Property, including, without limitation, a review of the results of any economic reviews and analyses of the Property and inspections of the structural condition of any Improvements that Buyer desires to conduct, any leases and contracts affecting the Property, books and records maintained by Seller or its agents relating to the Property that are in the Due Diligence Items, compliance with health, safety, land use and zoning laws, regulations and orders (including analysis of any applicable records of the planning, building, public works or other governmental or quasi-governmental entity having or asserting authority over the Property), traffic patterns, and any other information pertaining to the Property that is in the Due Diligence Items, or otherwise obtained by Buyer. In addition, during the Due Diligence Period, Buyer will be permitted to make a complete review and inspection of the environmental condition (including the soil condition, and the existence of asbestos, PCBs, hazardous waste and other toxic substances) of the Property.

(b) Seller Disclosures and Buyer Acknowledgement. Buyer acknowledges the following:

(i) Other than those specifically set forth in this Agreement, Seller is not making and has not at any time made any warranty or representation of any kind, expressed or implied, with respect to the Property, including, without limitation, warranties or representations as to habitability, merchantability, fitness for a particular purpose, title (and Seller shall not have any liability to Buyer based upon any defect in the title acquired by Buyer), existing leases or tenants thereunder, zoning, tax consequences, latent or patent physical or environmental condition, utilities, operating history or projections, valuation, projections, compliance with law, or the truth, accuracy or completeness of the Due Diligence Items or Property Files.

(ii) Other than those specifically set forth in this Agreement, Buyer is not relying upon and is not entitled to rely upon any representations and warranties made by Seller or anyone acting or claiming to act on Seller's behalf.

(iii) The Due Diligence Items, Property Files and other information obtained from Seller may include reports, projections and data prepared for Seller by third parties on which Buyer has no right to rely, Buyer has conducted (or will conduct) an independent evaluation of the matters addressed in such reports, and Seller have made no representation whatsoever as to the accuracy, completeness or adequacy of any such reports except as expressly set forth in this Agreement.

(iv) Seller has made certain additional disclosures with respect to the Property, as shown on Exhibit E attached hereto. Buyer acknowledges and agrees that it has made its own assessment with respect to the matters so disclosed in deciding to purchase the Property pursuant hereto, and Seller is not making and has not made any warranty or representation of any kind, expressed or implied, including, without limitation, as to the truth, accuracy or completeness of the disclosures in Exhibit E and/or the Due Diligence Items related to such matters.

(c) "AS-IS, WHERE-IS AND WITH ALL FAULTS". BASED UPON BUYER'S FAMILIARITY WITH, AND DUE DILIGENCE RELATING TO, THE PROPERTY, AND PERTINENT KNOWLEDGE AS TO THE MARKET IN WHICH THE PROPERTY IS SITUATED, AND IN DIRECT CONSIDERATION OF SELLER'S DECISION TO SELL THE PROPERTY TO BUYER FOR THE PURCHASE PRICE, BUYER SHALL PURCHASE THE PROPERTY IN AN "AS IS, WHERE IS AND WITH ALL FAULTS" CONDITION ON THE CLOSING DATE AND ASSUMES FULLY THE RISK THAT ADVERSE LATENT OR PATENT PHYSICAL, ENVIRONMENTAL, ECONOMIC OR LEGAL CONDITIONS MAY NOT HAVE BEEN REVEALED BY ITS INVESTIGATIONS, SUBJECT ONLY TO SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS AGREEMENT. SELLER AND BUYER ACKNOWLEDGE THAT THE COMPENSATION TO BE PAID TO SELLER FOR THE PROPERTY HAS TAKEN INTO ACCOUNT THAT THE PROPERTY IS BEING SOLD SUBJECT TO THE PROVISIONS OF THIS SECTION 10. EXCEPT AS EXPRESSLY PROVIDED IN SECTION 7(b), IF SELLER BREACHES ANY REPRESENTATION, WARRANTY, OR COVENANT HEREUNDER PRIOR TO CLOSING AND BUYER CLOSES ESCROW WITH ACTUAL KNOWLEDGE THEREOF, BUYER SHALL BE DEEMED TO WAIVE SUCH BREACH. THE CLOSING SHALL CONSTITUTE A REAFFIRMATION BY BUYER AND SELLER OF EACH OF THE PROVISIONS OF THIS SECTION 10 AND EACH OF THEM SHALL BE CONTINUING IN NATURE AND SHALL SURVIVE THE CLOSING. "ACTUAL KNOWLEDGE" OF BUYER FOR PURPOSES OF THIS SECTION 10 SHALL REFER TO THE ACTUAL KNOWLEDGE OF JAY BECHTEL, WITHOUT SUCH PERSON UNDERTAKING ANY INVESTIGATION OTHER THAN IN THE ORDINARY COURSE OF ITS RESPONSIBILITIES IN CONNECTION WITH THE ACQUISITION OF THE PROPERTY.

(d) Release. Consistent with the foregoing and subject solely to the representations and warranties set forth in Section 7(a) and the express indemnification provisions in this Agreement or in any document entered into by Seller pursuant to this Agreement, effective as of the Closing, Buyer, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges Seller, its agents, employees, and affiliates (collectively, the "**Releasees**") from any and all rights, claims and demands at law or in equity, 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 or legal condition of the Property. Without limiting the foregoing, Buyer, upon the Closing, shall be deemed to have waived,

relinquished and released Seller and all other Releasees from and against any and all matters arising out of latent or patent defects or physical conditions, violations of applicable laws and any and all other acts, omissions, events, circumstances or matters affecting the Property, except as expressly and specifically provided in (and as limited by) any provision of this Agreement or any document entered into by Seller pursuant to this Agreement with respect to any express covenant, representation, warranty or indemnity of Seller. For the foregoing purposes, Buyer hereby specifically waives the provisions of Section 1542 of the California Civil Code and any similar law of any other state, territory or jurisdiction. Section 1542 provides:

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

BUYER HEREBY SPECIFICALLY ACKNOWLEDGES THAT BUYER HAS CAREFULLY REVIEWED THIS SUBSECTION AND DISCUSSED ITS IMPORT WITH LEGAL COUNSEL AND THAT THE PROVISIONS OF THIS SUBSECTION ARE A MATERIAL PART OF THIS AGREEMENT.

Buyer

(e) Excluded Claims. Notwithstanding anything to the contrary herein, the waivers, releases and other provisions limiting Seller's liability set forth in this Section 10 shall be inapplicable to claims by Buyer arising out of (a) breach of Seller's express representations and warranties hereunder, subject to Section 7(b), (b) Seller's fraud or intentional tortious wrongdoing, or (c) the right of Buyer to name Seller or another Releasee as a defendant in any third party tort claim filed against Buyer or its agents, affiliates, successors or assigns, to the extent such claim arose as a result of an injury to person or damage to property that occurred during Seller's period of ownership of the Property and was not caused by the Buyer. The term of Section 10(a), 10(b) and 10(c) shall survive the Closing and not be merged therein.

10. Loss by Fire or Other Casualty; Condemnation.

(a) Casualty. Prior to the Closing, the entire risk of loss or damage to the Property by fire, earthquake, flood, windstorm or other casualty shall be borne by Seller, except as otherwise provided in this Section 10(a). If, prior to the Closing, any part of the Property is damaged or destroyed by fire or other casualty, Seller shall immediately notify Buyer of such fact. If such damage or destruction is Material Damage (defined below), Buyer shall have the option to terminate this Agreement upon notice to Seller given not later than ten (10) Business Days after receipt of Seller's notice of such Material Damage. For purposes hereof, "Material Damage" shall be deemed to be any damage or destruction to the Property where the cost of repair or replacement is estimated by Seller to be One Hundred Thousand Dollars (\$100,000) or more, or shall take more than sixty (60) days to repair, in Buyer's good faith judgment, or whether such damage or destruction is covered by insurance or not. Seller shall promptly provide Buyer with all information and documentation in Seller's possession or reasonably available to Seller relating to such damage or destruction, and any available insurance coverage, so that Buyer can make an informed decision as to whether or not it will proceed with the transaction or terminate the Agreement. If this Agreement is terminated pursuant to this Section 10(a), the provisions of Section 5(c) shall apply. If this Agreement is not terminated pursuant to this Section 10(a) or if the damage is not Material Damage, then Seller shall assign and turn over to Buyer all

insurance proceeds payable to Seller with respect to such damage or destruction and the parties shall proceed to the Closing pursuant to the terms hereof without modification of the terms of this Agreement and without any reduction in the Purchase Price. If this Agreement is not terminated pursuant to this Section 10(a), Buyer shall have the right to participate in any adjustment of the insurance claim, and Seller shall not adjust or settle any such claim without Buyer's prior written approval.

(b) Condemnation. If, prior to the Closing, any portion of the Property is taken, or if the access thereto is restricted, by any applicable governmental authority under power of eminent domain or otherwise (each, a "**Taking**"), or if the Property becomes subject to a pending, threatened or contemplated Taking which has not been consummated, Seller shall immediately notify Buyer of such fact. In the event of any Taking or pending, threatened or contemplated Taking which in Buyer's good faith judgment would materially and adversely affect the value of the Property, or Buyer's ability to operate the Property (including any material impact on access rights), then Buyer shall have the option, in its sole and absolute discretion, to terminate this Agreement upon written notice to Seller given not later than five (5) Business Days after receipt of Seller's notice. If this Agreement is so terminated, the provisions of Section 5(c) shall apply. If Buyer does not timely exercise its option to terminate this Agreement, upon the Close of Escrow, Seller shall assign and turn over, and Buyer shall be entitled to receive and keep, all awards for any such Taking and the parties shall proceed to the Close of Escrow pursuant to terms hereof, without modification of the terms of this Agreement and without any reduction in the Purchase Price. Unless or until this Agreement is terminated, Seller shall take no action with respect to the settlement of any such Taking proceeding without the prior written approval of Buyer.

11. Buyer's Remedies for Seller Default. If Closing fails to occur as a result of a default by Seller in the performance of its obligations under this Agreement then, upon notice by Buyer to Seller and Escrow Agent to that effect, Buyer shall elect, in Buyer's sole discretion, either to (i) terminate this Agreement and recover the Deposit (plus accrued interest), together with an additional sum from Seller equal to Buyer's actual out-of-pocket third party costs and expenses in connection with this transaction (including, without limitation, fees and other amounts paid to a lender, due diligence costs, attorneys' fees and costs), up to a maximum aggregate amount of One Hundred Thousand Dollars (\$100,000) ("**Buyer's Costs**"), or (ii) seek specific performance of Seller's obligations hereunder, plus recover the costs and expenses of enforcing this Agreement. Any conveyance of the Property pursuant to any such action for specific performance shall be deemed a waiver by Buyer of any breach by Seller of its representations, warranties or covenants under this Agreement of which Buyer has actual knowledge before commencing such action. Buyer shall be deemed to have elected to terminate this Agreement if Buyer fails to deliver to Seller written notice of its intent to assert a cause of action for specific performance within ninety (90) days following the scheduled Closing Date or, having given such notice, fails to file a lawsuit asserting such cause of action in the proper court within ninety (90) days following the Closing Date. Notwithstanding anything in this Section 11 to the contrary, the foregoing, if Buyer is unable to remedy a default by Seller with specific performance, or if Seller's default results from Seller's fraud, intentional misrepresentation or willful misconduct, then Buyer may recover actual damages arising out of Seller's default.

12. Miscellaneous.

(a) Notices. Any notice required or permitted to be given under this Agreement shall be in writing and (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by Federal Express or similar nationally recognized overnight courier service, or (iv) transmitted by electronic mail. Such notice shall be deemed to have been given upon the date of actual receipt or delivery (or refusal to accept delivery), as evidenced by the notifying party's receipt of written or electronic confirmation of such delivery or refusal, if received by the party to be notified between the hours of 8:00 A.M. and 6:00 P.M. Pacific Time on any Business Day, with

delivery made after such hours to be deemed received the following Business Day. In addition, within two (2) days of delivery of any notice given by Seller to Buyer under this Agreement which is transmitted through electronic mail, a copy of such notice shall also be sent to Buyer, in duplicate, by either of the methods provided in clauses (i) through (iii) of this Section 12(a). For purposes of notice, the addresses of the parties shall be as follows, provided that, any party, by written notice to the other in the manner herein provided, may designate an address different from that set forth below.

If to Seller: City of Sunnyvale
456 West Olive Avenue
P.O. box 3707
Sunnyvale, CA 94088-3707
Attention: City Property Administrator
Email: snafie@sunnyvale.ca.gov

with a copy to: City of Sunnyvale
456 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94088-3707
— Attention: Office of the City Attorney
Email: jnagel@sunnyvale.ca.gov

If to Buyer: Google LLC
1600 Amphitheatre Parkway
Mountain View, CA 94043
Attn: VP, Real Estate and Work Place Services
Email: jbechtel@google.com

and

Google LLC
1600 Amphitheatre Parkway
Mountain View, CA 94043
Attn: Legal Department/RE Matters
Email: molly@google.com

with a copy to: SSL Law Firm LLP
575 Market Street, Suite 2700
San Francisco, CA 94105
Attn: Sally Shekou, Esq. and Diane Hanna, Esq.
Email: sally@sslfirm.com
Email: diane@sslfirm.com

or such other address as either party may from time to time specify in writing delivered to the other in accordance with this Section 12(a).

(b) Brokers and Finders. Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cause of the sale contemplated herein, except for CBRE (representing Buyer) whose commissions, if any are due, shall be the responsibility of Buyer pursuant to a separate agreement, and Cushman and Wakefield (representing Seller) whose commissions, if any are due, shall be the

responsibility of Buyer pursuant to a separate agreement. If any other broker or finder perfects a claim for a commission or finder's fee based upon any such contract, dealings or communication, the party through whom the broker or finder makes his claim shall be responsible for said commission or fee and all costs and expenses (including reasonable attorneys' fees) incurred by the other party in defending against the same. The provisions of this Section 12(b) shall survive the Closing.

(c) Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and permitted assigns. Buyer may not assign this Agreement, or any rights hereunder, without the prior written consent of Seller (which consent shall not be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing, Buyer may assign its rights hereunder with no less than five (5) days' prior written notice to but without the prior written consent of Seller to an entity which controls, is controlled by, or is under common control with Buyer.

(d) Amendments. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

(e) Governing Law. 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 laws rules.

(f) Merger of Prior Agreements. This Agreement and the exhibits hereto constitute the entire agreement between the parties with respect to the purchase and sale of the Property and supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

(g) Attorneys' Fees. In any judicial action or proceeding between or among the parties to enforce any of the provisions of this Agreement regardless of whether such action or proceeding is prosecuted to judgment and in addition to any other remedy, the non-prevailing party shall pay to the prevailing party all out-of-pocket costs and expenses (including reasonable attorneys' fees, which shall include the reasonable value of the services of any "in-house" staff attorney employed by the successful party) incurred therein by the prevailing party. For the purposes of this Section 12(g), the term "**prevailing party**" shall mean the party which obtains substantially the relief it sought to obtain.

(h) Business Day. As used herein, the term "**Business Day**" shall mean a day that is not a Saturday, Sunday or legal holiday in the state where the Property is located. In the event that the date for the performance of any covenant or obligation under this Agreement, or delivery of any notice, shall fall on a non-Business Day, the date for performance thereof shall be extended to the next Business Day.

(i) Time of the Essence. Time is of the essence of this Agreement.

(j) Construction. This Agreement has been negotiated by the parties who have had the opportunity to consult their respective counsel. This Agreement shall not be construed more strictly against one party hereto than against any other party hereto merely by virtue of the fact that it may have been prepared by counsel for one of the parties. The term "**including**" or "**includes**" or any other similar term or phrase of inclusion shall be deemed to be followed in each instance by the words "**but not limited to,**" so as to designate an example or examples of the described class and not to designate all members of that class (it being the intention of the parties that each hereby waives the benefits of Section 3534 of the California Civil Code). The term "**sole discretion**" or "**sole election**" shall mean the right to

make a decision or election solely in the interest of the party making such decision or election, as such party may choose to make that judgment, for any reason or for no reason, and without regard to the interests of the other party. Neither party shall have any liability or obligation to the other for the manner in which it exercises its sole discretion, nor for the results thereof.

(k) Exhibits. All exhibits are attached hereto and incorporated herein by this reference.

(l) Headings. Headings at the beginning of any paragraph or section of this Agreement are solely for the convenience of the parties and are not a part of this Agreement or to be used in the interpretation hereof.

(m) Waiver. No waiver by Buyer or Seller of a breach of any of the terms, covenants, or conditions of this Agreement by the other party shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default by Buyer or Seller hereunder shall be implied from any omission by the other party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect a default other than as specified in such waiver. The consent or approval by Buyer or Seller to or of any act by the other party requiring the consent or approval of the first party shall not be deemed to waive or render unnecessary such party's consent or approval to or of any subsequent similar acts by the other party.

(n) Severability. If any phrase, clause, sentence, paragraph, section, article, or other portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law.

(o) Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute one agreement. This Agreement may be executed by a party's signature transmitted by electronic mail in pdf format ("**pdf**"), and copies of this Agreement executed and delivered by means of electronic signatures shall have the same force and effect as copies hereof executed and delivered with original signatures. All parties hereto may rely upon electronic signatures as if such signatures were originals. All parties hereto agree that an electronic signature page may be introduced into evidence in any proceeding arising out of or related to this Agreement as if it were an original signature page.

(p) Confidentiality and Return of Reports. Except to the extent required by applicable law or court order Buyer and Seller each acknowledge and agree that this Agreement and the terms and conditions set forth are to be kept confidential unless and until the Closing occurs in accordance with the terms of this Section 12(p). Each party shall be entitled to discuss and disclose the transaction with employees, agents, attorneys, accountants, consultants, lenders, clients, shareholders, partners, members, investors and representatives of such party. If this Agreement is terminated without Closing, promptly following such termination, Buyer shall return to Seller all Due Diligence Items and any other reports, studies, surveys and similar items that were delivered to Buyer from or on behalf of Seller in connection with the Property and that are in Buyer's possession. In addition, if and when Closing occurs, neither party shall make any public statement (including press releases, press or media statements, articles, case studies or any similar statement) regarding this Agreement or the terms and conditions set forth herein without in each instance first obtaining the written consent of the other party, which may be granted or withheld in such party's sole and absolute discretion. In connection with Treasury Regulation §1.6011-4 of the Internal Revenue Code of 1986, as amended, Buyer and Seller

hereby agree that each may disclose to any and all persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure of the transaction contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such Party relating to such U.S. tax treatment and U.S. tax structure, other than any information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date(s) written below next to their respective signatures.

BUYER:

Date: _____

**GOOGLE LLC,
a Delaware limited liability company**

By: _____
Name: _____
Its: _____

SELLER:

Date: _____

**CITY OF SUNNYVALE,
a California municipal corporation**

By: _____
Name: _____
Its: _____

Approved as to Form:

John A. Nagel, City Attorney

BY EXECUTION HEREOF, THE UNDERSIGNED ESCROW HOLDER HEREBY COVENANTS AND AGREES TO BE BOUND BY THE TERMS OF THIS AGREEMENT.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: _____
Name: _____
Its: _____
Date: _____

EXHIBIT A

REAL PROPERTY DESCRIPTION

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

TRACT ONE

PARCEL ONE:

PARCEL D, AS SHOWN ON EXHIBIT A-1 ATTACHED TO THE QUITCLAIM DEED FROM THE UNITED STATES OF AMERICA TO THE CITY OF SUNNYVALE RECORDED MAY 17, 2013 AS INSTRUMENT NO. 22225715 OF OFFICIAL RECORDS.

PARCEL TWO:

A PERPETUAL AND ASSIGNABLE EASEMENT AND RIGHT OF WAY FOR ROAD AND APPURTENANCES IN, ON, OVER AND ACROSS PARCELS ONE AND TWO AS DESCRIBED IN THAT CERTAIN EASEMENT DEED RECORDED MARCH 26, 1969 IN BOOK 8477, PAGE 150 OF OFFICIAL RECORDS:

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS RESERVED FROM PARCELS ONE AND PARCEL TWO AS DESCRIBED IN DEED TO THE UNITED STATES OF AMERICA RECORDED JANUARY 16, 1969 IN BOOK 8265, PAGE 381 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING WITHIN PARCEL ONE ABOVE.

PARCEL FOUR:

AN EASEMENT FOR SANITARY SEWER FACILITIES AND INCIDENTAL PURPOSES, AS DESCRIBED IN THE DEED TO THE CITY OF SUNNYVALE RECORDED SEPTEMBER 18, 2105 AS INSTRUMENT NO. 23084650 OF OFFICIAL RECORDS.

NOTE: THIS LEGAL DESCRIPTION IS BEING USED TO FACILITATE THE ISSUANCE OF A PRELIMINARY REPORT AND SHOULD NOT BE USED TO CONVEY OR ENCUMBER SAID LAND.

APN: 110-27-041

TRACT TWO

PARCEL ONE:

PARCEL E, AS SHOWN ON EXHIBIT A-1 ATTACHED TO THE QUITCLAIM DEED FROM THE UNITED STATES OF AMERICA TO THE CITY OF SUNNYVALE RECORDED MAY 03, 2013 AS INSTRUMENT NO. 22204523 OF OFFICIAL RECORDS.

NOTE: THIS LEGAL DESCRIPTION OF PARCEL ONE HEREIN IS BEING USED TO FACILITATE THE ISSUANCE OF A PRELIMINARY REPORT AND SHOULD NOT BE USED TO CONVEY OR ENCUMBER SAID LAND.

PARCEL TWO:

A PERPETUAL AND ASSIGNABLE EASEMENT AND RIGHT OF WAY FOR ROAD AND APPURTENANCES IN, ON, OVER AND ACROSS PARCELS ONE AND TWO AS DESCRIBED IN THAT CERTAIN EASEMENT DEED RECORDED MARCH 26, 1969 IN BOOK 8477, PAGE 150 OF OFFICIAL RECORDS:

PARCEL THREE:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS
RESERVED FROM PARCELS ONE AND PARCEL TWO AS DESCRIBED IN DEED TO THE
UNITED STATES OF AMERICA RECORDED JANUARY 16, 1969 IN BOOK 8265, PAGE
381 OF OFFICIAL RECORDS.

EXCEPTING THEREFROM ANY PORTION LYING WITHIN PARCEL ONE ABOVE.

APN: APN: 110-27-042

APN: 110-27-041

EXHIBIT B
FORM OF DEED

RECORDING REQUESTED BY
WHEN RECORDED, RETURN TO:

THE UNDERSIGNED GRANTOR(s) DECLARE(s):

DOCUMENTARY TRANSFER TAX is \$ _____. CITY TAX \$ _____.

☐ Computed on full value of property conveyed, or ☐ Computed on full value less value of liens or encumbrances remaining at time of sale.

☐ Unincorporated area: City of _____.

GRANT DEED

FOR VALUE RECEIVED, _____, a _____, grants to _____, a _____, all that certain real property, located in the City of _____, County of _____, State of California, more particularly described in **Exhibit A**, attached hereto and incorporated herein by reference thereto.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of this ____ day of _____, 20__.

Seller: _____,
a _____

By: _____
Its: _____

[NOTARY ACKNOWLEDGEMENT IN PROPER FORM]

Exhibit A to Grant Deed
Real Property Legal Description

EXHIBIT C

ASSIGNMENT AND ASSUMPTION OF CONTRACTS AND INTANGIBLES

THIS ASSIGNMENT AND ASSUMPTION OF CONTRACTS AND INTANGIBLES (the “**Assignment**”) dated as of _____, 20__ is between _____, a _____ (“**Assignor**”), and _____, a _____ (“**Assignee**”).

A. Assignor owns certain real property and improvements thereon located at _____ and more particularly described in **Exhibit A** attached hereto (the “**Property**”).

B. Assignor has entered into certain contracts which affect the Property, which contracts are described on **Exhibit B** attached hereto (the “**Contracts**”).

C. Assignor and Assignee have entered into an Agreement of Purchase and Sale dated as of _____, 20__ (the “**Agreement**”), pursuant to which Assignee agreed to purchase the Property from Assignor and Assignor agreed to sell the Property to Assignee, on the terms and conditions contained therein. Capitalized terms not otherwise defined here shall have the meaning given to such terms in the Agreement.

D. Assignor desires to assign its interest in the contracts and in certain intangible personal property with respect to the Property, and Assignee desires to accept the assignment thereof, on the terms and conditions below.

ACCORDINGLY, the parties hereby agree as follows:

1. As of the date on which the Property is conveyed to Assignee pursuant to the Agreement (the “**Conveyance Date**”), Assignor hereby assigns to Assignee all of its right, title and interest in and to the Contracts and any Intangible Property now owned by Assignor in connection with the Property.

2. As of the Conveyance Date, Assignee hereby assumes all of Assignor’s obligations under the Contracts originating or accruing on or subsequent to the Conveyance Date.

3. In the event of any dispute between Assignor and Assignee arising out of the obligations of the parties under this Assignment or concerning the meaning or interpretation of any provision contained herein, the losing party shall pay the prevailing party’s costs and expenses of such dispute, including, without limitation, reasonable attorneys’ fees and costs.

4. This Assignment shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns.

5. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

written. Assignor and Assignee have executed this Assignment the day and year first above

ASSIGNOR: _____,
a _____

By: _____
Its: _____

ASSIGNEE: _____,
a _____

By: _____
Its: _____

Exhibit A to
Assignment and Assumption of Contracts and Intangibles
Real Property Description
[to come]

Exhibit B to
Assignment and Assumption of Contracts and Intangibles

[List]

EXHIBIT D

DUE DILIGENCE ITEMS

(A) Copies of any and all contracts and agreements (including consulting, leasing, management, maintenance, repair, service, supply and contracts or agreements of any kind or nature) affecting the Property (collectively, the “**Service Contracts**”);

(B) Any and all documentation which is in possession of Seller or its authorized representatives or agents in connection with the environmental condition of the Property (including any Phase I and Phase II reports, if available), any and all geotechnical, foundation and soils reports, all recorded documents and agreements affecting the Property, remediation and monitoring plans, and correspondence with governmental agencies;

(C) Current title reports on the Property including copies of Seller’s existing title policies, and any Existing Survey;

(D) Copies of any and all area calculations, surveys, plans and specifications, site plans, engineering reports, physical inspection reports, permits, governmental entitlements/approvals and similar documents in the possession or control of Seller or its authorized representatives or agents, together with any notices of violation or default received by any governmental authority with respect to the Property;

(E) Copies of any articles of incorporation, bylaws, rules and regulations, declarations and/or other documents filed, recorded or entered into by, on behalf of or in connection with any property owners association(s) (the “**Association**”) that manages or otherwise affects all or a portion of the Property (collectively, the “**Association Documents**”), together with any notices of violation or default received from the Association (if any) with respect to the Property;

(F) A Natural Hazard Disclosure Statement duly executed by Seller.

(G) Copies of recent property tax bills and assessor's statements of current assessed value.

(H) A detailed summary of all unresolved legal actions concerning the Property, including actions taken on behalf of or against the ownership of the Property.

(I) Copies of any lease, occupancy agreement, easement, license or other documentation pertaining to the satellite dish or any other improvements or structures located at the Property.

(J) Copies of any leases, subleases, licenses, occupancy agreements, or other similar agreements affecting the Property or any portion thereof.

EXHIBIT E
DISCLOSURE SCHEDULE