

<p>Attorney or Party Name, Address, Telephone &amp; FAX Nos., State Bar No. &amp; Email Address</p> <p>JANET A. LAWSON #107321  3639 EAST HARBOR BLVD. #109  VENERTURA CA 93001  (805) 985-1147  jlawsonlawyer@gmail.com</p> <p><input type="checkbox"/> Individual appearing without attorney  <input checked="" type="checkbox"/> Attorney for: CAMARILLO PLAZA</p>	<p>FOR COURT USE ONLY</p>
---	---------------------------

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA - NORTHERN DIVISION

<p>In re: CAMARILLO PLAZA, LLC</p> <p>Debtor(s).</p>	<p>CASE NO.: 9:11-BK15562-RR CHAPTER: 11</p> <p><b>NOTICE OF SALE OF ESTATE PROPERTY</b></p>
--	--

<p><b>Sale Date:</b> <b>Location:</b></p>	<p>Sale is subject to the attached Bidding Procedures. Please read them carefully.</p>
---	--

Type of Sale:  Public  Private Last date to file objections: \_\_\_\_\_

Description of property to be sold:  
1701-1877 EAST DAILY DRIVE, CAMARILLO CA 93010

Terms and conditions of sale:  
SALE IS SUBJECT TO THE ATTACHED BIDDING PROCEDURES. PLEASE READ THEM CAREFULLY.

Proposed sale price: \$ 17,750,000.00

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

**Overbid procedure (if any):**

BIDDING PROCEDURES ATTACHED

**If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:**

BIDDING PROCEDURES ATTACHED

**Contact person for potential bidders (include name, address, telephone, fax and/or email address):**

TOM J. LAGOS SVP,  
DIRECTOR OF RETAIL SERVICES, COLLIERS INTERNATIONAL  
865 S. FIGUEROA STREET #3500  
LOS ANGELES CA 90017  
TEL: (213) 532-3299  
tom.lagos@colliers.com

JANET LAWSON, jlawsonlawyer@gmail.com  
M. REED MERCADO, RMercado@sheppardmullin.com  
ALAN FELD, AFeld@sheppardmulling.com  
THEODORE COHEN, TCohen@sheppardmullin.com

Date: 08/01/2013

### PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:  
3639 East Harbor Blvd. #109, Ventura CA 93001

A true and correct copy of the foregoing document entitled (specify): Notice of Sale

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (date) 08/01/2013, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. **SERVED BY UNITED STATES MAIL:**

On (date) 08/01/2013, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

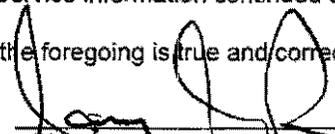
Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served):** Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (date) 06/19/2013, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

08/01/2013                      Gary Rivera  
Date                                      Printed Name

  
Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

ECF SERVICE LIST

Rick Chaidez [rc4law@aol.com](mailto:rc4law@aol.com)

Russel Clementson [Russell.ckementson@usdoj.gov](mailto:Russell.ckementson@usdoj.gov)

Brian Fittipaldi [brian.fittipaldi@usdoj.gov](mailto:brian.fittipaldi@usdoj.gov)

Amir Gamliel [agamliel@perkinscoie.com](mailto:agamliel@perkinscoie.com)

Douglas Kappler [dkappler@askfinancial.com](mailto:dkappler@askfinancial.com)

Payam Khodadadi [pkhodadai@mcguirewoods.com](mailto:pkhodadai@mcguirewoods.com)

William Kiekhofer, III [wkiefer@mcguirewoods.com](mailto:wkiefer@mcguirewoods.com)

Lewis Landau [LLandau@HorganRosen.com](mailto:LLandau@HorganRosen.com)

Janet Lawson [jlawsonlawyer@gmail.com](mailto:jlawsonlawyer@gmail.com)

Adam McNeil [amcneil@sheppardmullin.com](mailto:amcneil@sheppardmullin.com)

Reed Mercado [rmercado@sheppardmullin.com](mailto:rmercado@sheppardmullin.com)

Alan Smith [adsmith@perkinscoie.com](mailto:adsmith@perkinscoie.com)

Peter Susi Cheryl@susigura.com

Hatty Yip [hatty.yip@usdoj](mailto:hatty.yip@usdoj)

Untied States Trustee [ustpreion16.nd.ecf@usdoj.gov](mailto:ustpreion16.nd.ecf@usdoj.gov)

Label Matrix for local noticing  
0973-9  
Case 9:11-bk-15562-RR  
Central District Of California  
Santa Barbara  
Thu Aug 2 17:22:59 PDT 2013

United States Trustee (ND)  
21051 Warner Center Lane, Suite 115  
Woodland Hills, CA 91367-6550

A Klein Co, Inc  
11676 Terryhill Place  
Los Angeles, CA 90049-4402

Brendan's Irish Pub & Restaurant  
1755 E Daily Dr  
Camarillo, CA 93010-6269

Cheek Enterprises, Inc  
1934 Rory Lane #4  
Simi Valley, CA 93063-4382

E.J. Harrison & Sons, Inc  
P.O. Box 4009  
Ventura, CA 93007-4009

Homotel Furnishings, Inc.  
4404 Roma Court  
Marina Del Rey, CA 90292-7701

Ramiro Martinez  
C/O Michael Beckwith  
1280 S. Victoria Ave., #10  
Ventura, CA 93003-6555

Shindler & Lynn, CPA  
16055 Ventura Blvd #924  
Encino, CA 91436-2611

Tobin Lucks, LLP  
P.O. Box 4502  
Woodland Hills, CA 91365-4502

Mail Document  
11676 Terryhill Place  
Los Angeles, CA 90049-4402

Wells Fargo Bank, N.A., as Trustee for the R  
Alan D. Smith  
Perkins Coie LLP  
1888 Century Park East, Suite 1700  
Los Angeles, CA 90067-1721

BRENDAN'S CAMARILLO, LLC  
1755 E Daily Dr  
Camarillo, CA 93010-6269

BubbleSeekers  
3101 Agoura Court #150  
Agoura Hills, CA 91301

Cifuentes Landscaping  
8219 White Oak Drive  
Reseda, CA 91335-1536

FRANCHISE TAX BOARD  
BANKRUPTCY SECTION MS A340  
PO BOX 2952  
SACRAMENTO CA 95812-2952

Internal Revenue Service  
P O Box 7346  
Philadelphia, P A 19101-7346

Ramiro Martinez  
c/o The Law Office of Rick Chaidez  
500 E Esplanade Dr #360  
Oxnard, CA 93036-2119

Southern California Edison  
ATTN: CREDIT AND PAYMENT SERVICES  
1551 W SAN BERNARDINO RD  
COVINA CA 91722-3407

UKBTF/SIBTF Los Angeles  
320 West 4th Street #690  
Los Angeles, CA 90013-2350

Los Angeles SISA Limited Partnership, dba Ve  
c/o William H. Kiekhofer, III  
McGuireWoods LLP  
1800 Century Park East  
8th Floor  
Los Angeles, CA 90067-1501

Northern Division  
1415 State Street,  
Santa Barbara, CA 93101-2511

BRENDAN'S CAMARILLO LLC  
1755 E DAILY DR  
CAMARILLO CA 93010-6269

CA UNINSURED EMPLOYERS BENEFIT  
OFFICE OF DIRECTOR LEGAL UNIT  
ATTN: BANKRUPTCY UNIT  
320 W 4TH ST STE 600  
LOS ANGELES CA 90013-2350

City Of Camarillo  
P.O. Box 37  
Camarillo, CA 93011-0037

Gordon Strange  
16 Wildflower  
Irvine, CA 92604-2842

Med-Legal  
P.O. Box 1288  
West Covina, CA 91793-1288

Sergio Salinas Consulting  
157 W Ash Ave Apt D  
Burbank, CA 91502-2245

Structure Law Group  
1754 Technology Drive #135  
San Jose, CA 95110-1320

Vanessa Holton  
Department Of Industrial Relations  
320 West 4th Street #600  
Los Angeles, CA 90013-2350



Wells Fargo  
C/O Midland Loan Services  
PO Box 25965  
Shawnee Mission, KS 66225-5965

Main Document Page 6 of 6  
Wells Fargo Bank, N.A. as Trustee  
c/o Amir Gamliel  
Perkins Coie LLP  
1888 Century Park East, Suite 1700  
Los Angeles, CA 90067-1721

Janet A Lawson  
3639 E Harbor Blvd #109  
Ventura, CA 93001-4276

Ramiro Martinez  
1727 Cochran St. Apt J  
Simi Valley, CA 93065-2175

TR FUNDING  
951 S. Westgate Blvd. #101  
Westlake Village  
CA 91361

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u)Brendan's Camarillo, LLC

(u)Courtesy NEF

End of Label Matrix	
Mailable recipients	33
Bypassed recipients	2
Total	35



July \_\_, 2013

To: Prospective Purchasers

**BIDDING PROCEDURES**  
for  
**CAMARILLO PLAZA, LLC**

**INTRODUCTION**

Camarillo Plaza, LLC (“Debtor”) is a debtor-in-possession in a chapter 11 case under Case No. 9:11-bk-15562-RR (the “Chapter 11 Case”), which is pending in the United States Bankruptcy Court for the Central District of California, Northern Division (the “Bankruptcy Court”).

The United States Bankruptcy Court for the Central District of California has authorized Debtor to sell in a competitive bidding process (the “Proposed Sale”) Debtor’s 74,072 square foot shopping center commonly known as Camarillo Plaza and the underlying real property, located at 1701-1877 East Daily Drive, Camarillo, California 93010 (the “Property”). The Property is encumbered by a deed of trust (the “Deed of Trust”), in favor of WELLS FARGO BANK, N.A., as Trustee for the Registered Holders of Credit Suisse First Boston Mortgage Securities Corp., Commercial Mortgage Pass-Through Certificates, Series 2006-C3 (the “Lender”).

**CONDITIONS FOR SALE OF PROPERTY**

The Proposed Sale is subject to:

- i. Bankruptcy Court approval of the Proposed Sale;
- ii. confirmation of Debtor’s plan of reorganization (the “Plan”);
- iii. the highest and best offer submitted in accordance with the process described in these Bidding Procedures (as defined below);
- iv. the Proposed Sale being for all cash by a purchaser other than Lender, subject to Lender’s unconditional right to credit bid; and
- v. the written consent of the Lender to the Purchase Agreement (as defined below) of the Winning Bidder (as defined below) and the Sale Transaction (as defined below), which consent Lender shall be entitled to provide or not provide in Lender’s sole and absolute discretion, only to the extent that the net sale proceeds to be paid to Lender are less than the full amount of the Total Claim (as defined below).

### KEY DATES

The key dates for the sale process are as follows:

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• August 22, 2013 at 5:00 p.m. PDT</li><li>• September 4, 2013 at 10:00 a.m. PDT</li><li>• September 5, 2013</li><li>• September 12, 2013 at 10:00 a.m. PDT</li><li>• No later than October 30, 2013</li></ul> | <p>Initial Bid Deadline using form PSA attached hereto; Cashier's check for deposit due and "generic" escrow opens</p> <p>Auction at Sheppard Mullin "Specific" Opening of Escrow for successful buyer Plan Confirmation and Sale Approval Hearings</p> <p>Sale Closing Deadline</p> |
|--|--|

### SALE PROCEDURES

Set forth below are the sale procedures (the "Bidding Procedures") to be employed with respect to the Proposed Sale of the Property (the "Sale Transaction"). This Sale Transaction shall be an all cash sale of the Property to a Qualified Bidder (defined below) presenting the highest and best offer, pursuant to the competitive bidding process described below, subject to Lender's right to credit bid its undisputed claim ("Undisputed Claim") of no less than \$15,159,517.42, which includes:

- \$11,821,114.98 in unpaid principal;
- \$567,571.13 in accrued and unpaid non-default interest through July 15, 2013 (with non-default interest accruing at a daily rate of \$2,048.99 each day thereafter);
- \$528,227.03, which is one-third of the accrued and unpaid default interest through July 15, 2013, including all unpaid default interest that accrued both pre-petition date and post-petition date (with default interest accruing at a daily rate of \$1,641.82 each day after July 15, 2013, with the Lender entitled to one-third of such post-petition date daily accrual);
- all accrued late charges through the petition date that are due and payable under the Deed of Trust and the other loan documents;
- all accrued late charges after the petition date that are due and payable under the Deed of Trust and the other loan documents that were properly charged in accordance therewith;
- \$1,937,655.63 in yield maintenance fees as of the July 15, 2013 (provided, however, that the yield maintenance fees shall be re-calculated in accordance with the Deed of Trust and the other loan documents on the date of any such credit bid);

- \$304,948.65 in fees, costs and other charges that are payable under the Deed of Trust and the other loan documents as of July 15, 2013, including, without limitation, attorneys' fees, costs and other charges; and
- fees, costs and other charges, including, without limitation, attorneys' fees, costs and other charges, payable under the Deed of Trust and the other loan documents that accrue after July 15, 2013.

**SALE OF PROPERTY SUBJECT TO CONSENT OF LENDER IF NET PROCEEDS ARE LESS THAN THE FULL AMOUNT OF THE TOTAL CLAIM**

The Debtor has acknowledged, agreed and stipulated that the Property shall not be sold without Lender's consent (which consent Lender shall provide or not provide in Lender's sole and absolute discretion) unless the purchase price is sufficient to result in Lender receiving sales proceeds for the full amount of the Undisputed Claim. Upon closing of the Sale Transaction, sales proceeds in the full amount of the Undisputed Claim shall be paid to Lender. The Property shall not be sold free and clear of the Deed of Trust unless the conditions in the preceding two sentences are met. Moreover, transfer of the Property shall be subject (in addition to Bankruptcy Court approval and Plan confirmation) to Lender's prior written consent and approval of the purchaser, the purchase agreement ("Purchase Agreement") of the Winning Bidder (as defined below) or Back-Up Bidder (as defined below), and the Sale Transaction only to the extent that the net sale proceeds to be paid to Lender are less than the full amount of the Total Claim. Lender's discretion whether to consent and approve shall be sole, absolute, and unconditional. The provisions of this paragraph shall be referred to as "Lender Approval".

**THE BIDDING PROCESS**

Potential Bidders (as defined below) may timely submit a bid for the Property. The Debtor and its advisors shall determine in their sole discretion (subject to Lender Approval) whether any bid for the Property is a Qualified Bid (defined below), coordinate the efforts of Potential Bidders (defined below) in conducting their due diligence investigations, receive and evaluate offers from Potential Bidders, and negotiate in good faith any offers made to purchase the Property.

Any prospective purchaser that wishes to participate in such bidding process must be a Potential Bidder. Neither the Debtor nor its representatives shall be obligated to furnish information of any kind whatsoever to any person that is not a Potential Bidder. The Debtor shall use good faith efforts to provide all Potential Bidders with substantially similar access and information subject to the execution of a Confidentiality Agreement in the form attached hereto.

**DUE DILIGENCE**

The Debtor may afford each Potential Bidder the time and opportunity to conduct reasonable due diligence; provided, however, that neither the Debtor nor any of its

representatives shall be obligated to furnish any due diligence information: (i) at any time to any person other than a Potential Bidder; or (ii) after the Bid Deadline (defined below) to any Potential Bidder; provided further that no offer shall be conditioned on any due diligence. A List of Due Diligence Materials is attached hereto as Exhibit A.

### **PARTICIPATION REQUIREMENTS**

Any prospective purchaser that wishes to conduct due diligence and participate in the sale process must qualify as a Potential Bidder. A "Potential Bidder" is a prospective purchaser that:

- i. Has delivered to the Debtor or its representative Colliers International:
  1. An executed Confidentiality Agreement in the form attached hereto; and
  2. Sufficient documents and information as may be requested by Debtor to allow Debtor to determine that the bidder has or will have the financial wherewithal to close the Sale Transaction; and
  3. The Required Bid Materials (defined below); and
- ii. Agrees to not disturb or speak to the Property's Tenants, employees or contractors without the prior written consent of Debtor.

### **BID DEADLINE AND BID REQUIREMENTS**

The deadline for Potential Bidders to submit bids shall be August 22, 2013 at 5:00 p.m. Pacific Time (the "Bid Deadline"). Any Potential Bidder who fails to submit a bid so as to be received by the parties listed below in advance of the Bid Deadline shall not be deemed a Qualified Bidder.

A Potential Bidder that desires to make a bid shall deliver (so as to be received at or prior to the Bid Deadline) the Required Bid Materials (as defined below). Each bid shall be served by both overnight mail and e-mail to: Tom J. Lagos SVP, Director of Retail Services, Colliers International 865 S. Figueroa Street Suite 3500 Los Angeles CA 90017 Tel. 213-532-3299, [tom.lagos@colliers.com](mailto:tom.lagos@colliers.com). At the same time that each bid is emailed to Mr. Lagos, each bid shall also be emailed to (i) Janet A. Lawson, counsel for Debtor, at [JLawsonlawyer@gmail.com](mailto:JLawsonlawyer@gmail.com), and (ii) Alan Feld, Theodore Cohen, and M. Reed Mercado of Sheppard Mullin Richter & Hampton LLP, counsel for Lender, at [AFeld@sheppardmullin.com](mailto:AFeld@sheppardmullin.com), [TCohen@sheppardmullin.com](mailto:TCohen@sheppardmullin.com), and [RMercado@sheppardmullin.com](mailto:RMercado@sheppardmullin.com). EACH BID SUBMITTED SHALL BE BINDING AND IRREVOCABLE.

Qualified Bids must contain at minimum the following items (the "Required Bid Materials"):

- i. A purchase agreement in substantially the same form as the form Purchase and Sale Agreement attached hereto, marked to show changes thereto (the "Redline");
- ii. A clean version of the Redline executed by the Potential Bidder (the "Potential Bidder Purchase Agreement") containing the following terms:

- a. Purchase Price of all cash of at least \$17,750,000;
  - b. Deposit Amount of at least \$400,000 (the Deposit shall be non-refundable unless the Bankruptcy Court does not approve the Sale Transaction and the Plan, the Sale Transaction Closes with another bidder, or Debtor materially breaches the Purchase and Sale Agreement);
  - c. Closing Date/ Time, which shall be no later than October 30, 2013;
  - d. The Sale Transaction shall not be conditional on the outcome of any due diligence, the receipt of any debt financing or equity, or the approval of any Board of Directors, shareholder, or other corporate approval; and
  - e. The Potential Bidder Purchase Agreement shall not request or entitle the Potential Bidder to any break-up fee, expense reimbursement or similar type of payment.
- iii. A cashier's check for the Deposit made payable to \_\_\_\_\_
  - iv. A detailed description of the Potential Bidder and the principal(s) of the Potential Bidder. Further, each bid must provide sufficient information regarding both the Potential Bidder and partner(s) or joint venturers, if any, to satisfy Debtor with respect to provisions enumerated in section 363(n) of the Bankruptcy Code;
  - v. Verification of (i) legal authority to bind the Potential Bidder, and (ii) equity and debt structure including sufficient documents and information as may be requested by the Debtor to allow the Debtor to determine that the Potential Bidder has or will have the financial wherewithal to close on the Sale Transaction;
  - vi. Transaction references; and
  - vii. A written acknowledgment by the Potential Bidder that it agrees to all of the terms set forth in these Bidding Procedures

A bid received from a Potential Bidder that includes all of the Required Bid Materials and meets all of the above requirements is a "Qualified Bid." A Potential Bidder that submits a Qualified Bid is a "Qualified Bidder".

The Debtor reserves the right to determine the value of any Qualified Bid, and which Qualified Bid or Qualified Bids constitutes the highest or otherwise best offer based on all terms thereof; provided that Lender Approval shall be required. The Debtor further reserves the right to contact any Potential Bidder to discuss or clarify the terms of such Potential Bidder's bid and to indicate any terms which may need to be modified in order to conform the bid to a Qualified Bid or otherwise evaluate the bid or make it comparable to other bids in order to determine the highest or otherwise best offer. The Debtor also reserves the right to reject, at any time before entry of an order of the Bankruptcy Court approving a Qualified Bid, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bidding Procedures or the terms and conditions of sale, or (iii) contrary to the best interests of the Debtor or its estate.

Notwithstanding anything to the contrary set forth herein, the Lender shall have the unconditional right to credit bid, and shall not be subject to any minimum bid requirements applicable to any other Qualified Bidders.

### AUCTION

If at least two Qualified Bids are submitted, an auction (the "Auction") shall take place with respect to the Property on September 4, 2013, at 10:00 a.m., at the offices of Sheppard Mullin Richter & Hampton LLP located at 333 South Hope Street, Forty-Third Floor, Los Angeles, CA 90071.

Upon receipt of any bid, Debtor shall provide a copy to Lender. At least one Business Day prior to the Auction, Debtor will inform Lender of which bid is the highest and best Qualified Bid. Notwithstanding anything to the contrary herein, no Potential Bidder shall be deemed a Qualified Bidder and allowed to participate in the Auction unless and until Lender has provided Lender Approval.

Only Qualified Bidders who have timely submitted Qualified Bids shall be entitled to make any additional bids ("Subsequent Bids") at the Auction. All bidders shall be entitled to be present for all bidding with the understanding that the true identity of each bidder shall be fully disclosed to all other bidders and that all material terms of each bid will be fully disclosed to all other bidders throughout the entire Auction.

At the beginning of the Auction, Debtor shall disclose to all Qualified Bidders (i) the identity of all the Qualified Bidders, and (ii) the amount of the highest Qualified Bid. Bidding shall begin with the highest Qualified Bid, and continue in minimum increments of at least \$50,000 higher than the previous bid. The Auction shall continue in one or more rounds of bidding and shall conclude after each participating bidder has had the opportunity to submit an additional Subsequent Bid with full knowledge of the then existing highest bid and the identity of the party making the then highest bid. At the conclusion of the bidding, the Debtor shall announce its determination as to the bidder submitting the successful bid, which shall be submitted to the Bankruptcy Court for approval.

Upon conclusion of the bidding, the Auction shall be closed, and the Debtor in the exercise of reasonable business judgment, shall (i) immediately review each Qualified Bid as to which Lender Approval has been provided on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Proposed Sale, and confirmation that Lender Approval has been provided, and (ii) at the Auction and Sale Hearing (defined below) identify which offer for the Property for which Lender Approval has been provided is highest and best and will therefore provide the greatest amount of net value to the Debtor and its estate, and advise the Qualified Bidders and the Court of such determination. The Qualified Bidder whose final bid is deemed by the Court to be highest or best following the conclusion of the Auction, will be the "Winning Bidder," and such bid, the "Winning Bid." The next highest and best bid as set forth in such party's agreement will be the "Back-Up Bid" and the maker of the bid will be the "Back-Up Bidder." Final Documents between the Debtor and both the Winning Bidder and the Back-Up Bidder will be executed on the same day of the Auction.

If any Winning Bidder fails to timely close the Sale Transaction, the Back-Up Bidder shall close the Sale Transaction on the terms of the Back-Up Bidder's last bid at the Auction within three (3) business days after the Winning Bidder's deadline to close the Sale Transaction.

EACH BID SUBMITTED, BOTH AT THE BID DEADLINE AND DURING THE AUCTION, SHALL CONSTITUTE AN IRREVOCABLE OFFER AND BE BINDING.

### **SALE APPROVAL AND PLAN CONFIRMATION HEARING**

The Debtor intends to sell the Property to the Winning Bidder(s) upon approval of the Bankruptcy Court after a sale hearing to approve the sale of the Property (the "Sale Approval Hearing") and upon confirmation of Debtor's Plan. The Plan confirmation hearing and Sale Approval Hearing are scheduled to be heard by the Bankruptcy Court on September 12, 2013, at 10:00 a.m. The Sale Transaction shall not close until the Bankruptcy Court has confirmed the Plan and approved the Sale Transaction. In the event that the Winning Bidder(s) cannot or refuses to consummate the sale because of the breach or failure on the part of such Winning Bidder, the Debtor shall be permitted to close with the Back-Up Bidder on the terms set forth above without further order of the Court.

If the Winning Bidder, the Back-Up Bidder, and any other bidder who bid an amount sufficient for the Total Claim to be paid in full fail(s) to close the Sale Transaction, Lender shall be entitled, but not obligated, to credit bid up to the amount of the Total Claim to acquire the Property itself. In the event that (i) Lender exercises such right, (ii) credit bids not only the Undisputed Claim, but also some or all of the Disputed Claim, (iii) Lender's entitlement to the Disputed Claim has not been resolved as of the time of the closing of the Sale Transaction, and (iv) the Bankruptcy Court later disallows the Disputed Claim in whole or part, Lender shall pay cash to the Debtor in the amount of the disallowed portion of the Disputed Claim, if any, that was part of Lender's credit bid.

### **RETURN OF DEPOSITS**

If the Winning Bidder fails to consummate an approved sale because of a breach or failure to perform on the part of such Winning Bidder, the Debtor shall be entitled to retain the Winning Bidder's Deposit as Debtor's damages resulting from the breach or failure to perform by the Winning Bidder. All Deposits shall be subject to the Deed of Trust, and therefore constitute Lender's cash collateral. The Deposits of the Qualified Bidders other than the Winning Bidder and the Back-Up Bidder shall be returned to such Qualified Bidders within two (2) business days after the Sale Approval Hearing. The Deposit of the Back-Up Bidder shall be returned to the Back-Up Bidder within two (2) days after the sale to the Winning Bidder closes. If the sale to the Winning Bidder does not close, and thereby the Back-Up Bidder becomes obligated to close, if the Back-Up Bidder fails to consummate an approved sale because of a breach or failure to perform on the part of such Back-Up Bidder, the Debtor shall be entitled to retain the Deposit as its damages resulting from the breach or failure to perform by the Back-Up Bidder.

EXHIBIT A: Due Diligence Materials

**01 Court Orders**

2013\_0319\_Second Amended Chapter 11 Plan  
2013\_0726\_Camarillo\_Modified Stipulation  
2013\_0729\_Camarillo\_Revised Bidding Procedures

**02 Loan Documents**

01 Promissory Note  
02 Deed of Trust Security Agreement and Fixture Filing  
03 Assignment of Lease and Rents  
04 Indemnity and Guaranty Agreement  
05 Hazardous Substances Indemnity Agreement  
06 Consent and Agreement  
07 UCC Financing Statement

**03 Tenants**

**1701 Presto Pasta**

1701 Presto Pasta 1st Amend 2009  
1701 Presto Pasta Extension Letter 2009  
1701 Presto Pasta Lease 2000  
1701 Presto Pasta Lease Assignment 1998

**1727 A Estetica Cuts**

1727 A Estetica Cuts Lease 2007  
1727 A Estetica Cuts - 5 year option UNSIGNED

**1727 BCD Frank Herrera**

1727 BCD Amendment # 1 2013  
1727 BCD Frank Herrera - Lease 2012

**1727 E Avis**

1727 E Avis 1st Extension 2004  
1727 E Avis 2nd Extension 2009  
1727 E Avis Lease 1998  
1727 E Avis Letter to exercise option to 2014

**1727 F Mary s Pet Salon**

1727 F Mary s Pet Salon Estoppel 2009  
1727 F Mary s Pet Salon Lease 2009

**1727 G Snow Cleaners**

1727 G Snow Cleaners - No Further Action Letter 2007  
1727 G Snow Cleaners Estoppel 2008  
1727 G Snow Cleaners Lease 2003

**1727 H Stars Dental**

1727 H Star Dental - Seabreeze Lease 2005  
1727 H Star Dental Lease Assignment 2008

**1755 Brendan s Irish Pub**

1755 Brendan s Pub Lease 2010  
1755 Brendans Pub - Sales - Base Percent Rent 2012  
2013

**1775 A India Cafe**

1775 A India Cafe - 5 year option 2009 - 2014  
UNSIGNED  
1775 A India Cafe Assignment of Lease 2006  
1775 A India Cafe Lease 2003

**1775 BC Revolution Surf Co**

1775 BC Revolution 1st Extension  
1775 BC Revolution Lease 2002

**1775 G Somsamay Khampanya**

1775 G Somsamay Khampanya - Lease 2013

**1775 H Hobby People**

1775 H Hobby People Lease 1999

**1775 H2 Verizon Wireless**

1775 H2 Verizon Tower Lease 2011

**1775 I International Market**

1775 I Int Market 1st Amend UNSIGNED 2011  
1775 I Int Market Lease 2011

**1855 A Hamburger Habit**

1855 A Camarillo\_Hamburger Habit 2012 Option to  
2017  
1855 A Camarillo\_Hamburger Habit Lease 1997  
1855 A Camarillo\_Hamburger Habit\_1st Amendment  
1999  
1855 A Camarillo\_Hamburger Habit\_2nd Amendment

1999

1855 A Camarillo\_Hamburger Habit\_Estoppel 2003  
1855 A Camarillo\_Hamburger Habit\_Estoppel 2004  
1855 A Camarillo\_Hamburger Habit\_TI Consent 1998  
1855 A Camarillo\_Hamburger Habit\_TI Loan Req 1998

**1855 B Sushi Hamayu**

1855 B Sushi Hamayu Lease 2009

**1855 C Urban Cafe**

1855 C Urban Cafe - New Tower (1)  
1855 C Urban Cafe - New Tower (2)  
1855 C Urban Cafe - New Tower (3)  
1855 C Urban Cafe - TGH Enterprises Executed Lease  
2013\_0328\_Camarillo Plaza\_City Letter

**1855 D Baja Fresh**

1855 D Baja Fresh lease 2010

**1877 A Tan LA**

1877 A Tan LA Estoppel 2009  
1877 A Tan LA Lease 2009  
1877 A Tan LA Signed Amendment 2013

**1877 C1 Min Li Ric F. Stuck dba Camarillo Day Spa**

1877 C1 Camarillo Day Spa Lease 2009  
1877 C1 Camarillo Day Spa Modification 2010

**1877 C2 US Nail Spa**

1877 C2 U S Nail Spa - Lease 2012

**1877 D1 Dougherty Laser Vision**

1821 Laservision - written confirmation of downsize  
request  
1821 Laservision 1st Amend 2011)  
1821 Laservision 2nd Amend 2012  
1821 Laservision Estoppel 2008  
1821 Laservision Lease 2006  
1877 D1 Laservision Office Lease 3-18-13 DRAFT

**1877 D2 Young at Art**

1877 D2 Young at Art - Lease 2011

**1877 E The Showcase**

1727B The Showcase Lease 2011

**1877 F Salon Murazo**

1877 F Salon Murazo - 2 year option UNSIGNED  
1877 F Salon Murazo 1st Amend 2004  
1877 F Salon Murazo 3rd Amend 2011  
1877 F Salon Murazo Lease 2003

**1877 G Papa John s Pizza**

1877 G Papa John s 1st Amend 2009  
1877 G Papa John s Estoppel 2003  
1877 G Papa John s Estoppel 2004  
1877 G Papa John s Lease 1998  
1877 G Papa John s Lease Assignment 2005  
1877 G Papa John s Right to Exercise Option 2004

**04 Financials**

Camarillo\_Rent Roll\_2013\_0510  
Camarillo\_Accounts Receivable Feb-Apr 2013  
Camarillo\_Balance Sheet\_2012\_1231  
Camarillo\_CAM 2013  
Camarillo\_Deferred Rents Jan-Apr 2013  
Camarillo\_Profit Loss 2010  
Camarillo\_Profit Loss 2011  
Camarillo\_Profit Loss 2012  
Camarillo\_Tax Bill\_2012-2013

**05 Reports**

2006\_0310\_Camarillo\_Property Condition Assessment  
2006\_0314\_Camarillo\_Probable Max Loss  
2006\_0327\_Camarillo\_Appraisal  
2006\_0404\_Camarillo\_Asbestos Program  
2006\_0421\_Camarillo\_Phase I  
Camarillo\_Link to PTR

EXHIBIT B: Confidentiality Agreement

PRINCIPAL CONFIDENTIALITY AGREEMENT

Camarillo Plaza  
1701-1877 E. Daily Drive  
Camarillo, CA 93010

The undersigned has been advised that *Colliers International, Inc.* (the "Broker") has been retained by *CAMARILLO PLAZA, LLC*, (the "Owner") for the sale of *CAMARILLO PLAZA, 1701-1877 E. DAILY DRIVE, CAMARILLO, CA 93010* (the "Property"). The Owner has indicated that all inquiries and communications with respect to the prospective sale of such Property shall be directed to the Broker.

The Broker has available for review certain information ("Confidential Information") concerning the Property. On behalf of the Owner, Broker may make such Confidential Information available to the undersigned upon execution of this Confidentiality Agreement. The Confidential Information is intended solely for use by the undersigned in considering whether to pursue negotiations to acquire the Property. This is neither an agreement to sell the Property, nor an offer of sale. No agreement binding upon the Owner of the Property, or any of its associated or affiliated companies, shall be deemed to exist, at law or equity, until the Owner of the Property enters into a formal binding agreement of sale.

The Confidential Information contains brief, selected information pertaining to the business and affairs of the Owner, and has been prepared by the Broker, primarily from information supplied by the Owner or the Owner's agent. It does not purport to be all-inclusive or to contain all the information that a prospective purchaser may desire. Neither the Broker, nor the Owner make any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Information, and no legal liability is to be assumed or implied with respect thereto.

By executing this Confidentiality Agreement the undersigned agrees that the information provided is confidential, that it will be held and treated in the strictest of confidence, and that the undersigned will not disclose or permit anyone else to disclose the information to any person, firm or entity without prior written authorization of the Owner and Owner's Agent, except that the information may be disclosed to the undersigned's partners, employees, legal counsel and lenders or pursuant to a court order. If it is determined that acquisition negotiations will not be pursued, the undersigned hereby agrees to return the Confidential Information to the Owner's Agent. The Owner expressly reserves the right in its sole discretion to reject any or all proposals or expressions of interest in the Property and to terminate discussions with any party at any time with or without notice.

If in agreement with the foregoing, Please return to: Alexandria Beausoleil, fax # 213.327.3254 or email [ColliersRetail360@colliers.com](mailto:ColliersRetail360@colliers.com)  
The original copy to be mailed to: 865 S. Figueroa Street Suite 3500 Los Angeles, CA 90017.

Thank you.

**REGISTERED POTENTIAL PURCHASER:**

ACCEPTED AND AGREED TO

Date:

Signature:

Name:

Title:

Company:

Address:

Phone Number:

Fax Number:

Email:

Colliers International, Inc., 865 South Figueroa St., 35th Floor, Los Angeles, CA 90017 Ph: (213) 627-1214 / Fax: (213) 327-3200



**BROKER CONFIDENTIALITY AGREEMENT**

**Camarillo Plaza  
1701-1877 E. Daily Drive  
Camarillo, CA 93010**

You (the "Procuring Broker") have advised *Colliers International, Inc.* (the "Owners Agent") that you wish to register a client with respect to the potential purchase of the *CAMARILLO PLAZA, 1701-1877 E. DAILY DRIVE, CAMARILLO, CA 93010* (the "Property"). The Owner's Agent has been retained on an exclusive basis by *CAMARILLO PLAZA, LLC*, (the "Owner") with respect to the sale of the Property. The Owner has indicated that all inquiries and communications with respect to the contemplated sale of the Property shall be directed to the Owner's Agent. The Owner shall pay all fees due Owner's Agent in connection with the sale of the Property.

Owner's Agent has available for review certain information concerning the Property which includes brochures and other materials (collectively "Informational Materials"). Owner's Agent will not make such Informational Materials available to the Procuring Broker or the Registered Potential Purchaser unless and until the Procuring Broker and the Registered Potential Purchaser have executed this agreement. On behalf of the Owner, Owner's Agent is prepared to consider the Procuring Broker's registration of the undersigned principal (the "Registered Potential Purchaser"). Upon Owner's Agent's receipt of this executed agreement, Owner's Agent is prepared to provide the Informational Materials for the Registered Potential Purchaser's consideration in connection with the possible purchase of the Property subject to the following conditions.

1. All Informational Materials relating to the Property which may be furnished to the Procuring Broker and the Registered Potential Purchaser by Owner's Agent shall continue to be the property of the Owner and Owner's Agent. The Informational Materials will be used by the Procuring Broker solely for the purpose of presenting same to the Registered Potential Purchaser and may not be copied or duplicated without Owner's Agent's written consent and must be returned to Owner's Agent immediately upon Owner's Agent's request or when the Registered Potential Purchaser terminates negotiations with respect to the Property.
2. Neither Procuring Broker nor the Registered Potential Purchaser will disclose the Informational Materials to any person other than the Registered Potential Purchaser, unless Owner's Agent has approved in writing such disclosure, provided, however, that the Informational Materials may be disclosed to the Registered Potential Purchaser's partners, employees, legal counsel and institutional lenders ("Related Parties"), for the purpose of evaluating the potential purchase of the Property. The Registered Potential Purchaser and such Related Parties shall be informed by the Procuring Broker of the confidential nature of the Informational Materials and must agree to keep all Informational Materials strictly confidential in accordance with this agreement. The Procuring Broker shall be responsible for any violation of this provision by the Registered Potential Purchaser or Related Party.
3. The Registered Potential Purchaser authorizes the Procuring Broker to represent it as its Procuring Broker with respect to the purchase of the Property. Both the Registered Potential Purchaser and the Procuring Broker, hereby agree to indemnify Owner's Agent and the Owner against any compensation, fee, loss, liability or expense, including attorney's fees, arising from claims by Procuring Broker or any other party the Registered Potential Purchaser or Procuring Broker has had dealings with, excluding Owner's Agent, in connection with the proposed transaction. The Registered Potential Purchaser and Procuring Broker are aware that there is no Broker cooperation commission to be paid by Owner. Procuring Broker must be protected by Potential Purchaser. The Procuring Broker agrees it will not discuss the Property with any other party other than the Registered Potential Purchaser and that it will not distribute the Materials or excerpts to any other party. The Potential Purchaser acknowledges that it is a principal in connection with the purchase of the Property and the Potential Purchaser hereby agrees that he will not look to the Owner or Owner's Agent for any commissions, fees or other compensation in connection with the sale of the Property. Additionally, the Potential Purchaser acknowledges that he has not had any discussions regarding the Property with any Procuring Broker or agent other than Owner's Agent and the Procuring Broker.
4. The Procuring Broker represents and covenants that it is, and at the time of the consummation of any sale of the Property to the Registered Potential Purchaser will be, a duly licensed real estate Procuring Broker.
5. The Procuring Broker understands and acknowledges that Owner's Agent and the Owner do not make any representation or warranty as to the accuracy or completeness of the Informational Materials and that the information used in the preparation of the Informational Materials was furnished to Owner's Agent by others and has not been independently verified by Owner's Agent and is not guaranteed as to completeness or accuracy. The Procuring Broker agrees that neither

Colliers International, Inc., 865 South Figueroa St., 35th Floor, Los Angeles, CA 90017 Ph. (213) 627-1214 / Fax (213) 327-3200



CAMARILLO PLAZA  
 1701-1877 E. DALY DRIVE  
 CAMARILLO, CA 93010  
 2 of 2

Owner's Agent nor the Owner, shall have any liability for any reason to the Procuring Broker or the Registered Potential Purchaser or Related Parties resulting from the use of the Informational Materials.

6. The Procuring Broker hereby indemnifies and holds harmless Owner's Agent and the Owner and their respective affiliates and successors and assigns against and from any loss, liability or expense, including attorney's fees, arising out of any (1) breach of any of the terms of this Agreement, and (2) claim or claims by any other Procuring Broker, finder or other party if such claim or claims are based in whole or in part on dealings with the Procuring Broker or, the Registered Potential Purchaser, any Related Party or any of their representatives for commissions, fees and other compensation for the sale or proposed sale of the Property to the Registered Potential Purchaser.

7. The Procuring Broker acknowledges that the Property has been offered for sale subject to withdrawal from the market, change in offering price, prior sale or rejection of any offer because of the terms thereof, lack of satisfactory credit references of any prospective purchaser, or for any other reason whatsoever, without notice. Procuring Broker acknowledges that the Property is being offered without regard to race, creed, sex, religion or national origin.

If in agreement with the foregoing, Please return to: Alexandria Beausoleil, fax # 213.327.3254 or email [ColliersRetail360@colliers.com](mailto:ColliersRetail360@colliers.com)

The original copy to be mailed to: 865 S. Figueroa Street Suite 3500 Los Angeles, CA 90017.

PROCURING BROKER:

REGISTERED POTENTIAL PURCHASER:

ACCEPTED AND AGREED TO

ACCEPTED AND AGREED TO

Date:

Date:

Signature:

Signature:

Name:

Name:

Title:

Title:

Company:

Company:

Address:

Address:

Phone Number:

Phone Number:

Fax Number:

Fax Number:

Email:

Email:

Colliers International, Inc., 865 South Figueroa St., 35th Floor, Los Angeles, CA 90017 Ph: (213) 627-1214 / Fax (213) 327-3200



TENANT: \_\_\_\_\_  
DATE OF LEASE: \_\_\_\_\_  
AMENDED: \_\_\_\_\_  
PREMISES: \_\_\_\_\_ with \_\_\_\_\_ square feet

To:

The undersigned hereby certifies as follows:

1. The undersigned is the "Tenant" under the above-referenced Lease ("**Lease**") covering the above-referenced Premises ("**Premises**").
2. The Lease constitutes the entire agreement between landlord under the Lease ("**Landlord**") and Tenant with respect to the Premises and the Lease has not been modified or amended in any respect except as set forth above.
3. The term of the Lease commenced on \_\_\_\_\_, \_\_\_\_\_, and, including any presently exercised option or renewal term, will expire on \_\_\_\_\_, \_\_\_\_\_. Tenant has accepted possession of the Premises and is the actual occupant in possession and has not sublet or assigned its leasehold interest except \_\_\_\_\_. All improvements to be constructed on the Premises by Landlord have been completed and accepted by Tenant and any tenant improvement allowances have been paid in full.
4. As of this date, there exists no default, nor state of facts which, with notice, the passage of time, or both, would result in a default on the part of either Tenant or Landlord.
5. Tenant is currently obligated to pay annual rental in monthly installments of \$ \_\_\_\_\_ per month and monthly installments of annual rental have been paid through \_\_\_\_\_, \_\_\_\_\_. Tenant pays pro-rata share of Common Area Expenses, Property Taxes, and Insurance per Article \_\_\_\_\_ of the Lease. No other rent has been paid in advance and Tenant has no claim or defense against Landlord under the Lease and is asserting no offsets or credits against either the rent or Landlord. Tenant has no claim against Landlord for any security or other deposits except \$ \_\_\_\_\_ which was paid pursuant to the Lease.
6. If percentage rent is payable by the Tenant to the Landlord under the Lease, the last year for which such percentage rent was calculated under the Lease was \_\_\_\_\_, \_\_\_\_\_ to \_\_\_\_\_, \_\_\_\_\_ and the amount of percentage rent due and paid for such year was \$ \_\_\_\_\_.
7. Tenant has no option or preferential right to lease or occupy additional space within the property of which the Premises are a part except \_\_\_\_\_. Tenant has no option or preferential right to purchase all or any part of the Premises. Tenant has no right to renew or extend the terms of the Lease except \_\_\_\_\_.

8. Tenant claims no exclusive use rights except as provided in the Lease. If the Lease grants Tenant exclusive rights, Tenant has no current knowledge that such rights have been violated.

9. Tenant has made no agreements with Landlord or its agent or employees concerning free rent, partial rent, rebate of rental payments or any other type of rental or other concession except as expressly set forth in the Lease.

10. There has not been filed by or against Tenant a petition in bankruptcy, voluntary or otherwise, any assignment for the benefit of creditors, any petition seeking reorganization or arrangement under the bankruptcy laws of the United States, or any state thereof, or any other action brought under said bankruptcy laws with respect to Tenant.

This Certificate is made to Camarillo Plaza, LLC or its nominee and any past, present, or future lender to any of such parties (collectively, the "Reliance Parties") in connection with the prospective sale of the property of which the Premises are a part. This Certificate may be relied on by the Reliance Parties and any other party who acquires an interest in the property of which the Premises are a part in connection with such purchase.

Dated this \_\_\_\_ day of \_\_\_\_\_.

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

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

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

"TENANT"

EXHIBIT C: Debtor's Draft Purchase and Sale Agreement

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

**By and Between**

**Camarillo Plaza, LLC**

**a California limited liability company**

**as Seller**

**and**

\_\_\_\_\_  
**a** \_\_\_\_\_

**as Buyer**

**Dated as of** \_\_\_\_\_

TABLE OF CONTENTS

	<u>Page</u>
1. Certain Basic Definitions .....	1
1.1 “Bid Procedures” .....	1
1.2 “Broker” .....	1
1.3 “business day” .....	1
1.4 “Buyer’s Address” .....	1
1.5 “Buyer’s Broker” .....	1
1.6 “Closing Deadline” .....	1
1.7 “Confidentiality Agreement” .....	2
1.8 “Deposit” .....	2
1.9 “Escrow Holder” .....	2
1.10 “Escrow Holder’s Address” .....	2
1.11 “Leases” .....	2
1.12 “Lender” .....	2
1.13 “Loan” .....	2
1.14 “Order for Plan” .....	2
1.15 “Order for Sale” .....	2
1.16 “Preliminary Title Report” .....	3
1.17 “Property” .....	3
1.18 “Purchase Price” .....	3
1.19 “Real Property” .....	3
1.20 “Seller’s Address” .....	3
1.21 “Seller Released Parties” .....	3
1.22 “Title Company” .....	3

2.	Sale of Property/Purchase Price .....	3
2.1	Sale of Property.....	3
2.2	Purchase Price .....	3
2.3	Interest.....	4
3.	Escrow: Closing Conditions.....	4
3.1	Escrow.....	4
3.2	Closing Date.....	4
3.3	Buyer’s Conditions to Closing.....	4
3.4	Seller’s Conditions to Closing .....	5
3.5	Title and Title Insurance .....	5
3.6	Closing Costs and Charges.....	6
3.7	Deposit of Documents by Seller .....	6
3.8	Deposit of Documents and Funds by Buyer .....	7
3.9	Delivery of Documents and Funds at Closing .....	7
3.10	Prorations and Adjustments .....	7
4.	Assessment Liens .....	9
5.	Delivery and Possession.....	9
6.	Commissions .....	9
7.	Damage or Destruction; Condemnation.....	10
7.1	Uniform Act .....	10
7.2	Definitions.....	10
7.3	Notice; Credit to Buyer .....	10
8.	Seller’s Representations and Warranties.....	11
8.1	Existence .....	11
8.2	Authority .....	11

9.	Buyer’s Representations and Warranties .....	11
9.1	Existence .....	11
9.2	Authority .....	11
9.3	Prohibited Transaction .....	11
10.	Due Diligence Completed .....	11
10.1	Condition and Other Matters.....	11
10.2	Title .....	12
10.3	Due Diligence Items.....	13
10.4	Estoppel Certificates .....	13
10.5	Disclaimer .....	13
11.	Property “AS IS” .....	14
11.1	No Side Agreements or Representations .....	14
11.2	AS IS CONDITION.....	14
12.	Governmental Approvals .....	16
13.	Release .....	16
14.	Property; Hazardous Materials.....	17
15.	Indemnification .....	18
16.	Default.....	18
16.1	LIQUIDATED DAMAGES - DEPOSIT.....	18
16.2	No Specific Performance .....	19
16.3	No Contesting Liquidated Damages .....	19
16.4	Termination.....	19
17.	Resolution of Disputes .....	20
18.	Attorneys’ Fees .....	20
19.	Notices.....	20

20.	Amendment; Complete Agreement.....	20
21.	Governing Law.....	20
22.	Severability .....	20
23.	Counterparts, Headings, and Defined Terms .....	20
24.	Time of the Essence .....	21
25.	Waiver.....	21
26.	Third Parties.....	21
27.	Additional Documents .....	21
28.	Independent Counsel.....	21
29.	Assignment; Cooperation with 1031 Exchange.....	21
30.	Successors and Assigns.....	22
31.	Exhibits .....	22
32.	Duty of Confidentiality .....	22
33.	Survival .....	22
34.	Binding Offer; Buyer’s Bid; Deposit.....	22
34.1	General.....	22
34.2	LIQUIDATED DAMAGES PRIOR TO EXECUTION BY SELLER- DEPOSIT .....	23

EXHIBIT LIST

EXHIBIT “A”	Legal Description
EXHIBIT “B”	Due Diligence Items
EXHIBIT “C”	Grant Deed
EXHIBIT “D”	Assignment of Leases
EXHIBIT “E”	Estoppel Certificate

THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS ("Agreement") is made as of \_\_\_\_\_, 2013 ("Effective Date") by and between Camarillo Plaza, LLC, a California limited liability company ("Seller"), and \_\_\_\_\_, a \_\_\_\_\_ ("Buyer").

RECITALS

A. Seller is a debtor- in- possession of the Property (defined below) in a chapter 11 case under Case No. Case No. 9:11-bk-15562-RR (the "Chapter 11 Case"), which is pending in the United States Bankruptcy Court for the Central District of California, Northern Division (the "Bankruptcy Court").

B. Buyer desires to buy the Property, and Seller desires to sell the Property, on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

AGREEMENT

For purposes of this Agreement, the following terms shall have the following definitions:

1. Certain Basic Definitions:

1.1 "Bid Procedures" means the Bidding Procedures for Camarillo Plaza, LLC dated July \_\_, 2013 regarding the procedures for selling the Property.

1.2 "Broker" means Collier's International, Inc.

1.3 "business day" means any Monday, Tuesday, Wednesday, Thursday or Friday, other than any federal holiday, State of California holiday or other day on which banks are required or permitted to close for business in the State of California.

1.4 "Buyer's Address" means:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

1.5 "Buyer's Broker" means any broker representing Buyer in connection with this Agreement.

1.6 "Closing Deadline" means October 30, 2013.

1.7 “Confidentiality Agreement” means that certain Principal Broker Confidentiality Agreement dated \_\_\_\_\_ between Buyer Buyer’s Broker and Broker.

1.8 “Deposit” means the sum of \$400,000.

1.9 “Escrow Holder” means \_\_\_\_\_.

1.10 “Escrow Holder’s Address” means:

\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

1.11 “Leases” means all of Seller’s right, title, interest and obligations under the leases of space in the improvements on the Property, as amended, supplemented or terminated.

1.12 “Lender” means WELLS FARGO BANK, N.A., as Trustee for the Registered Holders of Credit Suisse First Boston Mortgage Securities Corp., Commercial Mortgage Pass-Through Certificates, Series 2006-C3.

1.13 “Loan” means that certain loan in the original stated principal amount of \$12,485,000.00 owing by Seller to Lender evidenced by, among other things, a Promissory Note dated as of May 2, 2006 by Seller in favor of Column Financial, Inc., a Deed of Trust, Security Agreement and Fixture Filing dated as of May 2, 2006 by Seller in favor of Column Financial, Inc. as beneficiary, and an assignment of the foregoing documents from Column Financial, Inc. to Lender.

1.14 “Order for Plan” means an order of the Bankruptcy Court, in form and substance satisfactory to Seller, confirming Seller’s Second Amended Chapter 11 Plan, which Second Amended Chapter 11 Plan shall provide, among other things, for the sale of the Property for cash (subject to Lender’s right to credit bid as set forth in the Bid Procedures), and the distribution of the proceeds of sale in accordance with Section 3.9.3 of this Agreement.

1.15 “Order for Sale” means an order of the Bankruptcy Court, in form and substance satisfactory to Seller, in furtherance of the Order for Plan, authorizing the sale of the Property to Buyer; provided, however, that the Order for Sale shall contain a finding that Buyer is a good faith purchaser pursuant to 11 U.S.C. § 363(m) and that Buyer is entitled to the protections afforded by that section only if Buyer provides to Seller admissible evidence to support such a finding concurrently with submitting this Agreement to Seller pursuant to the Bid Procedures. Such Order for Sale must include an order of the Bankruptcy Court authorizing the assumption and assignment to Buyer of the Leases and specifying the cure amounts, if any, necessary to cure any defaults thereunder that are required in order to assume the same. Responsibility for payment of such cure costs is set forth in Section 3.10.5 of this

Agreement. Such Order for Sale must also (i) authorize the transfer of the Property free and clear of all liens, claims and encumbrances, and (ii) direct the distribution of proceeds of sale of the Property in accordance with Section 3.9.3 of this Agreement.

1.16 "Preliminary Title Report" means that certain preliminary title report number \_\_\_\_\_ dated \_\_\_\_\_, 2013, issued by Title Company, with respect to the Real Property.

1.17 "Property" means, collectively, the Real Property and the Leases.

1.18 "Purchase Price" means the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), subject to the increase, if any, under Section 34 below.

1.19 "Real Property" means Seller's right, title and interest in that certain real property known as 1701-1877 East Daily Drive, Camarillo, California 93010, consisting of the land located in the County of Ventura, State of California, and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference, together with Seller's right, title and interest in any improvements located thereon.

1.20 "Seller's Address" means:

Camarillo Plaza, LLC  
1755 E. Daily Drive  
Camarillo, CA 93010  
Attn: Arnold Klein  
Telephone: \_\_\_\_\_  
Email: aklein1260@gmail.com

1.21 "Seller Released Parties" means, collectively, Seller and Lender, and each of their respective affiliates and servicers, and the employees, officers, directors, representatives, invitees, tenants, agents, contractors, servants, attorneys, shareholders, participants, affiliates, partners, members, parents, subsidiaries of each of the foregoing, and the successors and assigns of each of the foregoing.

1.22 "Title Company" means Chicago Title Insurance Company through Zodiac.

2. Sale of Property/Purchase Price:

2.1 Sale of Property: Seller shall sell the Property to Buyer, and Buyer shall purchase the Property from Seller, for the Purchase Price on the terms and conditions of this Agreement.

2.2 Purchase Price: The Purchase Price shall be payable as follows:

2.2.1 Deposit: Concurrently with the execution of this Agreement by Buyer, Buyer shall deliver to Lender the Deposit in the form of a wire transfer or cashier's check drawn on good and sufficient funds on a federally insured bank in the State of

California and made payable to the order of Lender. If Buyer fails to deliver the Deposit to Lender when and as required under the immediately preceding sentence, Buyer shall be deemed to be in material default under this Agreement, this Agreement shall automatically terminate, and Buyer shall have no further right, title or interest, and Seller shall have no further obligation or liability, under this Agreement. Upon the execution and delivery of this Agreement by Seller, the entire Deposit shall be non-refundable and shall either be applied toward the payment of the Purchase Price on the Close of Escrow or retained by Seller (and applied to the repayment of an equal amount of the Loan) if the Close of Escrow does not occur; provided that Seller shall not be bound to this Agreement unless and until (i) the Order for Plan and Order for Sale are entered, and (ii) Seller executes and delivers this Agreement.

2.2.2 Cash Balance: Buyer shall deposit into Escrow an amount ("Cash Balance"), in immediately available federal funds equal to the Purchase Price minus the Deposit and increased or decreased by the amount of any credits due or any items chargeable to Buyer under this Agreement. Buyer shall deposit the Cash Balance into Escrow in the form of immediately available federal funds no later than the earlier of one (1) business day before the Closing Deadline or such earlier date as may be required by the Escrow Holder under applicable law such that Escrow Holder will be in a position to disburse the cash proceeds as set forth in Section 3.9.3 of this Agreement on the Close of Escrow.

2.3 Interest: The Deposit shall not earn any interest after the Deposit delivered to Lender. At the request of Buyer, all funds deposited by Buyer with Escrow Holder shall be deposited by Escrow Holder in an interest-bearing account with a federally insured state or national bank ("Account") located in California. All interest earned on such funds deposited with Escrow Holder shall increase the amount of the Deposit.

### 3. Escrow: Closing Conditions.

3.1 Escrow: Upon the execution of this Agreement by both Buyer and Seller, and the acceptance of this Agreement by Escrow Holder in writing, this Agreement shall constitute the joint escrow instructions of Buyer and Seller to Escrow Holder to open an escrow ("Escrow") for the consummation of the sale of the Property to Buyer pursuant to the terms of this Agreement. Upon Escrow Holder's written acceptance of this Agreement, Escrow Holder is authorized to act in accordance with the terms of this Agreement. Buyer and Seller shall execute Escrow Holder's general escrow instructions upon request; provided, however, that if there is any conflict or inconsistency between such general escrow instructions and this Agreement, this Agreement shall control. Upon the Close of Escrow, Escrow Holder shall pay any sum owed to Seller with immediately available federal funds.

3.2 Closing Date: The Escrow shall close ("Close of Escrow") on a date that the conditions to the Close of Escrow have been satisfied or waived by the party intended to be benefited thereby ("Closing Date") that must be on or before the Closing Deadline.

3.3 Buyer's Conditions to Closing: The obligations of Buyer to consummate the transactions provided for herein are subject to and contingent upon the satisfaction of the following conditions or the waiver of same by Buyer in writing:

3.3.1 Representations and Warranties: All representations and warranties of Seller contained in this Agreement shall be true and correct as of the date made and as of the Close of Escrow with the same effect as though such representations and warranties were made at and as of the Close of Escrow.

3.3.2 Covenants: Seller shall have performed and satisfied all agreements and covenants required hereby to be performed by Seller prior to or at the Close of Escrow.

3.3.3 Title Policy: The Title Company's commitment to issue or the issuance of the Buyer's Title Policy complying with the requirements of Section 3.5.2 below.

3.4 Seller's Conditions to Closing: The obligations of Seller to consummate the transactions provided for herein are subject to and contingent upon the satisfaction of the following conditions or the waiver of same by Seller in writing:

3.4.1 Representations and Warranties: All representations and warranties of Buyer contained in this Agreement shall be true and correct as of the date made and as of the Close of Escrow with the same effect as though such representations and warranties were made at and as of the Close of Escrow.

3.4.2 Covenants: Buyer shall have performed and satisfied all agreements and covenants required hereby to be performed by Buyer prior to or at the Close of Escrow.

3.4.3 Orders. Seller shall have obtained a certified copy of the Order for Plan and a certified copy of the Order for Sale, and neither of such orders shall have been modified, reversed, vacated, stayed, restrained, dissolved, enjoined or appealed on or prior to the Closing Date.

### 3.5 Title and Title Insurance

3.5.1 Deed: On the Closing Date, Seller shall convey title to the Property to Buyer by deed in the form of Exhibit "C" attached hereto and incorporated herein by this reference ("Deed").

3.5.2 Buyer's Title Policy: At the Close of Escrow, Escrow Holder shall cause the Title Company to issue to Buyer a CLTA Standard Coverage Owner's Policy of Title Insurance ("Buyer's Title Policy") which:

(a) shall be written with liability in the amount of the Purchase Price; and

(b) shall insure title to the Property, to be vested in Buyer, subject only to the following exceptions ("Permitted Exceptions"): (i) the standard printed exceptions set forth in the Buyer's Title Policy; (ii) general and special real property taxes and assessments for the current fiscal year, a lien not yet due and payable; (iii) the exceptions set forth in the Preliminary Title Report; (iv) any survey exceptions and exceptions for

unrecorded matters; and (v) any and all exceptions directly or indirectly caused or accepted by or known to Buyer.

3.5.3 ALTA Policy: Buyer shall have the right to procure an ALTA Extended Coverage Owner's Policy of Title Insurance ("ALTA Policy") as long as the issuance of the ALTA Policy shall not be a condition to, or cause a delay of, the Close of Escrow. Buyer shall pay for the increased cost of such ALTA Policy, the cost of any survey that the Title Company requires for issuance of an ALTA Policy, and for the cost of any other increase in the amount or scope of title insurance if Buyer elects to increase the amount or scope of title insurance coverage provided in the Buyer's Title Policy.

### 3.6 Closing Costs and Charges

3.6.1 Seller's Costs: Seller shall pay (a) one-half (1/2) of Escrow Holder's fees; (b) the premium for the Buyer's Title Policy; (c) all expenses and charges incurred in connection with the discharge of delinquent taxes, if any, which may be required in order for the Title Company to issue the Buyer's Title Policy in accordance with Section 3.5.2 above; (d) the documentary transfer taxes payable in connection with the transfer by Seller to Buyer of the Real Property; and (e) Seller's share of prorations as determined in accordance with Section 3.10.

3.6.2 Buyer's Costs: Buyer shall pay (a) one-half (1/2) of the Escrow Holder's fee; (b) all document recording charges; (c) any costs arising out of the Buyer's Title Policy which are described in Section 3.5.3; (d) the cost of all title insurance endorsements; and (e) Buyer's share of prorations as determined in accordance with Section 3.10.

3.6.3 Other Costs: All other costs, if any, shall be apportioned in the customary manner for real property transactions in the County where the Real Property is located.

3.7 Deposit of Documents by Seller: Not later than one (1) business day prior to the Closing Deadline, Seller shall deposit the following items into Escrow, each of which shall be duly executed and acknowledged by Seller where appropriate:

3.7.1 The Deed.

3.7.2 Two (2) counterparts of an assignment and assumption, duly executed by Seller, assigning to Buyer, without warranty, all of Seller's right, title, and interest in and to all Leases, all to the extent transferable by Seller, in the form of Exhibit "D" attached hereto and incorporated herein by this reference ("Assignment of Leases").

3.7.3 An affidavit executed by Seller to the effect that Seller is not a "foreign person" within the meaning of Internal Revenue Code Section 1445 ("Certification") and an executed California Real Estate Withholding Exemption (Form 593W) ("Form 593").

3.7.4 Other documents pertaining to Seller's authority to record the Deed that may reasonably be required by Escrow Holder to close the Escrow in accordance with this Agreement.

3.8 Deposit of Documents and Funds by Buyer: Not later than one (1) business day prior to the Closing Deadline (or any earlier date set forth in this Agreement), Buyer shall deposit the following items into Escrow:

3.8.1 The Cash Balance;

3.8.2 Two (2) counterparts of the Assignment of Leases, duly executed by Buyer;

3.8.3 Concurrently with the execution and delivery of this Agreement by Buyer, Buyer must provide to Seller adequate admissible (a) written assurance of Buyer's future performance under the Leases pursuant to the Order for Sale and 11 U.S.C. § 365, and (b) evidence to support a finding that Buyer is a good faith purchaser pursuant to 11 U.S.C. § 363(m) and that Buyer is entitled to the protections afforded by that section.

3.8.4 All other funds and documents as may reasonably be required by Escrow Holder to close the Escrow in accordance with this Agreement.

3.9 Delivery of Documents and Funds at Closing: Provided that all conditions to closing set forth in this Agreement have been satisfied or, as to any condition not satisfied, waived by the party intended to be benefited thereby, on the Closing Date Escrow Holder shall conduct the closing by recording or distributing the following documents and funds in the following manner:

3.9.1 Recorded Documents: Record the Order for Sale and the Deed, in that order, in the Official Records of the County in which the Real Property is located;

3.9.2 Buyer's Documents: Deliver to Buyer: (a) the original Buyer's Title Policy; (b) an original fully-executed counterpart of the Assignment of Leases; (c) the original Certification; and (d) the original Form 593; and

3.9.3 Purchase Price; Seller's Documents: Deliver to Seller an original fully-executed counterpart of the Assignment of Leases, and disburse the Purchase Price (less the Deposit that was previously disbursed to the Lender) and such other funds, if any, as may be due to Seller by reason of credits under this Agreement, less all items chargeable to Seller under this Agreement, as follows: (a) first, disburse to Lender all funds necessary to pay to Lender all principal, all non-default rate interest, one-third of the excess of interest at the default rate over interest at the non-default rate, yield maintenance fees, protective advances, late charges, and other fees and costs owing to the Lender in connection with the Loan (including without limitation, attorneys' fees), all as shown in the demand from Lender; and (b) second, disburse to the estate of Seller, in trust, to pay claims in the order of priority in accordance with the Order for Plan.

3.10 Prorations and Adjustments

3.10.1 General: Rentals, revenues, and other income, if any, from the Property, and real property taxes and assessments and operating expenses, if any, affecting the Property shall be prorated as of midnight on the day preceding the Close of Escrow. For

purposes of calculating prorations, Buyer shall be deemed to be in title to the Property, and therefore entitled to the income and responsible for the expenses, for the entire day upon which the Close of Escrow occurs.

3.10.2 Rentals: Subject to the provisions of Sections 3.10.3 and 3.10.4, rentals shall be prorated as of the Close of Escrow. "Rentals" as used herein includes fixed rentals, additional rentals, percentage rentals, escalation rentals, retroactive rentals, operating cost pass-throughs and other sums and charges payable by tenants under the Leases.

3.10.3 Delinquent Rentals: Rentals are delinquent when payment thereof is more than thirty (30) days delinquent as of the Close of Escrow. Unpaid rentals and delinquent rentals shall be prorated between Buyer and Seller as of the Close of Escrow on an accrual basis, but Buyer shall be required to give to Seller a credit for only one-half of the delinquent rentals. Seller shall not reject any Lease in the Chapter 11 Case following the execution and delivery of this Agreement by Buyer and Seller; provided, however, Seller shall have the right to terminate any Lease and/or apply any security deposit or other security provided by the tenant thereunder under its terms and applicable laws in the event of default of the tenant under such Lease.

3.10.4 Additional Rentals: Operating cost pass-throughs, percentage rentals, additional rentals and other retroactive rental escalations, sums or charges payable by tenants which accrue as of the Close of Escrow but are not then due and payable, shall be prorated as of the Close of Escrow on an accrual basis.

3.10.5 Prepaid Rentals and Lease Cure Payments: Rentals received by Seller attributable to periods after the Close of Escrow shall be credited to Buyer and debited to Seller at the Close of Escrow. Cure amounts for the period ending on the day before the close of escrow required by the Bankruptcy Court to be paid for a period before close of escrow for the Leases being assumed by Seller and assigned to Buyer shall be paid out of the proceeds of sale of the Property.

3.10.6 Taxes and Assessments: All non-delinquent real estate taxes and current installments of assessments affecting the Property which are payable by Seller shall be prorated as of the Close of Escrow based on the actual current tax bill. All delinquent taxes and assessments, if any, affecting the Property which are payable by Seller shall be paid at the Close of Escrow from funds accruing to Seller. Any refunds of real estate taxes and assessments attributable to the period prior to the Close of Escrow shall be credited at the Close of Escrow based on the estimate by Seller or Seller's consultant of the amount of such refund as reasonably approved by Buyer.

3.10.7 Operating Expenses: All operating expenses, including but not limited to, management fees, utility service charges for electricity, heat and air conditioning service, other utilities, elevator maintenance, common area maintenance, and other expenses affecting the Property which are payable by Seller in the ordinary course of business or the management and operation of the Property shall be prorated on an accrual basis. Alternatively, Seller may cause any utility company to transfer billings to Buyer upon the Close of Escrow. To the extent not payable directly by a tenant pursuant to a Lease, Seller

shall pay all such expenses that accrue prior to the Close of Escrow and Buyer shall pay all such expenses accruing on the Close of Escrow and thereafter. To the extent possible, Seller and Buyer shall obtain billings and meter readings as of the Close of Escrow to aid in such prorations.

3.10.8 Commissions and Tenant Improvement Costs: Seller shall pay in full all leasing commissions and documented tenant improvement costs, if any, due and payable by Seller prior to the Close of Escrow with respect to the Leases which were executed prior to the Effective Date, as shown on the proration schedule to be prepared pursuant to Section 3.10.10 below, and Buyer shall pay in full all other leasing commissions and documented tenant improvement costs and other costs payable by the lessor with respect to Leases.

3.10.9 Tenant Deposits: Buyer shall be credited and Seller shall be debited with an amount equal to all tenant security deposits (and any interest accrued thereon for the benefit of a tenant pursuant to a Lease) paid by the tenants pursuant to the Leases and actually being held by Seller under the Leases, except to the extent that as of Close of Escrow Seller transfers to Buyer control of accounts holding tenant deposits.

3.10.10 Method of Proration: Buyer and Seller agree to cause their accountants or Escrow Holder to prepare a schedule of tentative prorations prior to the Closing Date with respect to the Property. Such prorations, if and to the extent known and agreed upon as of the Close of Escrow, shall be paid by Buyer to Seller (if the prorations result in a net credit to the Seller) or by Seller to Buyer (if the prorations result in a net credit to the Buyer) by increasing or reducing the cash to be paid by Buyer at the Close of Escrow. Such prorations shall be deemed to be final as of the Close of Escrow, and no adjustment to such prorations shall be paid by Buyer to Seller, or by Seller to Buyer, as the case may be, after the Close of Escrow. A copy of the schedule of prorations as agreed upon by Buyer and Seller shall be delivered to Escrow Holder prior to the Close of Escrow.

4. Assessment Liens. If and to the extent there exists any improvement assessment lien, Mello Roos bond payment or other similar assessment which encumbers the Property, Buyer hereby expressly agrees and assumes the obligation to pay any and all future installments of such bond or assessment lien affecting the Property which accrue from and after the Close of Escrow. Any bond payments or assessment liens for the current payable period shall be prorated in accordance with Section 3.10 above and any past due and unpaid installments of such bonds or assessment liens shall be paid by Seller. Seller shall have no obligation to pay the entire principal amount of any of such assessments or bonds.

5. Delivery and Possession. Seller shall deliver possession of the Property to Buyer at the Close of Escrow subject to all matters of record or apparent or otherwise disclosed to or discovered by Buyer.

6. Commissions. Buyer and Seller each represents and warrants to the other that there is no commission, finder's fee or brokerage fee arising out of the purchase and sale transaction contemplated by this Agreement due to the conduct of the representing party other than a commission payable by Seller to Broker on the Close of Escrow pursuant to a separate

written agreement between Seller and Broker and commission payable by Buyer to Buyer's Broker, if any. For clarification, any commission payable to Buyer's Broker shall be paid by Buyer from Borrower's own funds other than the Purchase Price. Buyer shall indemnify, defend and hold Seller and the other Seller Released Parties harmless from and against any and all liabilities, claims, demands, damages, costs and expenses, including, without limitation, reasonable attorneys' fees and court costs, in connection with claims for any such commissions, finders' fees or brokerage fees arising out of Buyer's conduct or the inaccuracy of the foregoing representation and/or warranty of Buyer, including, without limitation any commission, finder's fee or brokerage fee owing to any Buyer's Broker. Seller shall indemnify, defend and hold Buyer harmless from and against any and all liabilities, claims, demands, costs and expenses, including, without limitation, reasonable attorneys' fees and costs in connection with claims for any such commissions, finders' fees or brokerage fees arising out of Seller's conduct or the inaccuracy of the foregoing representation and/or warranty of Seller, including, without limitation, the brokerage commission payable by Seller to Broker on the Close of Escrow pursuant to a separate written agreement between Seller and Broker. Notwithstanding anything to the contrary, neither Broker nor any Buyer's Broker is a third party beneficiary of this provision or this Agreement, and neither Broker nor any Buyer's Broker has any right, title or interest in connection with this Agreement.

7. Damage or Destruction; Condemnation.

7.1 Uniform Act: This Agreement shall be governed by the Uniform Vendor and Purchaser Risk Act as set forth in Section 1662 of the California Civil Code ("Act") as supplemented by this Section 7. For purposes of the Act, (a) a taking by eminent domain of a portion of the Property shall be deemed to affect a "material part" of the Property if the estimated value of the portion of the Property taken exceeds twenty percent (20%) of the Purchase Price, and (b) the destruction of a "material part" of the Property shall be deemed to mean an insured or uninsured casualty to the Property following the opening of the Escrow and prior to the Close of Escrow having an estimated cost of repair which equals or exceeds twenty percent (20%) of the Purchase Price.

7.2 Definitions: The phrase "estimated value" shall mean an estimate obtained from a M.A.I. appraiser, who has at least five (5) years experience evaluating property located in the County where the Real Property is located, similar in nature and function to that of the Property, selected by Seller and approved by Buyer, and the phrase "estimated cost of repair" shall mean an estimate obtained from an independent contractor selected by Seller and approved by Buyer. Buyer shall not unreasonably withhold, condition or delay Buyer's approval under this Section.

7.3 Notice: Credit to Buyer: Buyer shall have the right to terminate this Agreement if all or a material part of the Property is destroyed without fault of Buyer or a material part of the Property is taken by eminent domain. Buyer shall give written notice of Buyer's election to terminate this Agreement under the Act within five (5) business days after Buyer first learns of any damage to or condemnation of the Property which entitles Buyer to terminate this Agreement. If Buyer does not give such notice, then this Agreement shall remain in full force and effect and there shall be no reduction in the Purchase Price, but Seller shall, at Close of Escrow, assign to Buyer (a) any insurance proceeds payable to Seller with

respect to such damage; or (b) the entire award payable with respect to such condemnation proceeding, whichever is applicable.

8. Seller's Representations and Warranties. Seller represents and warrants to Buyer that as of the date of this Agreement and as of the Closing Date:

8.1 Existence. Seller is duly organized, validly existing, and in good standing under the laws of the state of its formation; and

8.2 Authority. Seller has the full power and authority to execute, deliver and perform its obligations under this Agreement, subject to Seller's obtaining the Order for Plan and the Order for Sale.

9. Buyer's Representations and Warranties. Buyer represents and warrants to Seller that as of the date of this Agreement and as of the Closing Date:

9.1 Existence. Buyer is duly organized, validly existing, and in good standing under the laws of the state of its formation;

9.2 Authority. Buyer has the full power and authority to execute, deliver and perform Buyer's obligations under this Agreement; and

9.3 Prohibited Transaction. Buyer is not acquiring the Property with the assets of an employee benefit plan as defined in Section 3(3) of the Employment Retirement Income Security Act of 1974, as amended ("ERISA") and the transaction which is the subject of this Agreement is not a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended.

10. Due Diligence Completed.

10.1 Condition and Other Matters. Buyer hereby approves the physical condition of the Property and all other matters in connection with the Property. Pursuant to the Confidentiality Agreement, Buyer had the opportunity to inspect the Property. Buyer's obligations under this Agreement, including, without limitation, the obligation to purchase the Property in accordance with this Agreement, are not conditioned on Buyer's approval of the condition of, or any other matter in connection with, the Property, including, without any further inspection or investigation of the Property or any matter in connection with the Property, or any document or other matter.

10.1.1 Buyer shall have the right to conduct further physical inspection of the Property upon two (2) business days prior notice to Seller and after Seller's receipt of written evidence that Buyer has procured the insurance required by Section 10.1.3 of this Agreement. Buyer's physical inspection of the Property shall be conducted during normal business hours at times mutually acceptable to Buyer and Seller and shall not interfere with the use, occupancy or operation of the Property. Buyer shall give Seller or Seller's agent the opportunity to accompany Buyer or Buyer's consultant during any site inspection of the Property. Notwithstanding anything to the contrary, (a) no invasive testing or boring shall be done without the prior notification of Seller and Seller's prior written permission of the same,

which permission may be withheld in Seller's sole and absolute discretion, and Seller shall have the right to view any such invasive testing or boring and (b) no contact with any tenant or property manager shall be made without the prior notification of Seller and Seller's prior written permission of the same, which permission may be withheld in Seller's sole and absolute discretion, and Seller shall have the right to participate in any such contact with any tenant or property manager.

10.1.2 Buyer acknowledges that: (i) Buyer has conducted such surveys and inspections, and made such geologic, environmental, soils and other studies of the Property; and (ii) Buyer has made such investigations of the Property (including, without limitation, investigations of zoning, land use, environmental and other laws, regulations and restrictions) as Buyer has, in Buyer's discretion, deemed necessary or advisable in connection with Buyer's purchase of the Property and to determine the physical, environmental and land use characteristics of the Property and all other matters in connection with the Property and the Property's suitability for Buyer's intended use.

10.1.3 Buyer shall obtain or cause its consultants to obtain, at Buyer's sole cost and expense prior to commencement of any investigative activities on the Property, a policy of commercial general liability insurance covering any and all liability of Buyer and Seller with respect to or arising out of any investigative activities. Such policy of insurance shall be kept and maintained in force during the term of this Agreement and so long thereafter as necessary to cover any claims of damages suffered by persons or property resulting from any acts or omissions of Buyer, Buyer's employees, agents, contractors, suppliers, consultants and other related parties. Such policy of insurance shall have liability limits of not less than One Million Dollars (\$1,000,000.00) combined single limit per occurrence for bodily injury, personal injury and property damage liability and shall name Seller as an additional insured.

10.1.4 Buyer shall protect, indemnify, defend and hold the Property, Seller and the other Seller Released Parties, free and harmless from and against any and all claims, damages, liens, stop notices, obligations, liabilities, losses, costs and expenses, including reasonable attorneys' fees and court costs, resulting from Buyer's inspection and investigation of the Property and matters in connection with the Property, including, without limitation, repairing any and all damages to any portion of the Property, arising out of or related (directly or indirectly) to Buyer's conducting such inspections and investigations. Buyer shall keep the Property free and clear of any mechanics' liens or materialmen's liens related to Buyer's right of inspection and investigation and the activities contemplated by Section 10.1.1 of this Agreement. The Buyer's indemnification obligations set forth herein shall survive the Close of Escrow and shall not be merged with the Deed, and shall survive the termination of this Agreement and Escrow prior to the Close of Escrow.

10.2 Title. Buyer hereby approves the Preliminary Title Report, all matters described or disclosed therein, and all other matters in connection with the title to the Property and encumbrances thereon. All exceptions set forth in the Preliminary Title Report and any other encumbrance or exception are hereby collectively referred to herein as the "Permitted Exceptions."

10.3 Due Diligence Items. Buyer hereby approves all of the Due Diligence Items. "Due Diligence Items" means, collectively, the items described on Exhibit B attached hereto, the other items available or disclosed in the electronic due diligence room to which Broker provided access to Buyer, all publicly available information (including, all information available in connection with the bankruptcy proceedings of Seller), and all other items made available to or discovered by Buyer. Buyer acknowledges that the Due Diligence Items include, without limitation, a Natural Hazard Disclosure Statement in the form set forth in California Civil Code Section 1103.2 for the Property. Seller acknowledges Buyer may desire to discuss or otherwise inquire about plans, documents, agreements and other records of various governmental entities, districts and utilities regarding the Property or otherwise impacting, restricting, or affecting its use or value ("Governmental Records") with various governmental entities and utilities and the other Due Diligence Items with third parties. In this regard, subject to the terms and conditions of this Agreement (including, without limitation, the last sentence of Section 10.1.1), Buyer is permitted to contact all necessary third parties and discuss with such third parties the Governmental Records and other Due Diligence Items; provided, however, Seller is first given a reasonable opportunity to participate in any such contact or discussion. It is understood by the parties that Seller does not make any representation or warranty, express or implied, as to the accuracy or completeness of any Due Diligence Item. Buyer acknowledges that Seller and Seller's affiliates are providing the Due Diligence Items made available by Seller as a disclosure only, and Seller shall have no responsibility for the contents or accuracy of such disclosures, irrespective of the contents of any such disclosures or the timing of delivery thereof.

10.4 Estoppel Certificates. After the opening of the Escrow, Seller shall request that the tenant under each Lease complete and execute a tenancy statement ("Estoppel Certificate") in the form attached hereto as Exhibit "E"; provided, however, that Seller shall not be obligated to actually obtain any such Estoppel Certificate and in no event shall Seller be obligated to make any concession to any tenant under any Lease. To the extent Seller obtains any Estoppel Certificate prior to the Close of Escrow, Seller shall deliver it to Buyer. Buyer's obligations under this Agreement, including, without limitation, the obligation to purchase the Property in accordance with this Agreement, are not conditioned on Buyer's receipt or approval of any such Estoppel Certificate.

10.5 Disclaimer. Buyer represents and warrants, which representations and warranties shall survive the Close of Escrow and not be merged with the Deed, that Buyer has conducted all due diligence in connection with the Property that Buyer deems necessary or advisable, and that Buyer is familiar with the general condition of the Property. Buyer understands and acknowledges that the Property may be subject to earthquake, fire, floods, erosion, high water table, dangerous underground soil conditions, hazardous materials and similar occurrences that may alter its condition or affect its suitability for any proposed use. Seller shall have no responsibility or liability with respect to any such occurrence or condition. Buyer represents and warrants that Buyer is acting, and will act, only upon information obtained by Buyer directly from Buyer's own inspection of the Property and due diligence investigations. Notwithstanding anything to the contrary contained in this Agreement, the suitability or lack of suitability of the Property for any proposed or intended use, or availability or lack of availability of (a) permits or approvals of governmental or regulatory authorities, or (b) easements, licenses or other rights with respect to any such

proposed or intended use of the Property, shall not affect the rights or obligations of the Buyer hereunder. This Section 10.6 shall survive the Close of Escrow and shall not be merged with the Deed.

11. Property "AS IS". This Section 11 shall survive the Close of Escrow and shall not be merged with the Deed.

11.1 No Side Agreements or Representations: No person acting on behalf of Seller is authorized to make, and by execution hereof, Buyer acknowledges that no person has made, any representation, agreement, statement, warranty, guarantee or promise regarding the Property or any other matter in connection with Property. No representation, warranty, agreement, statement, guarantee or promise, if any, made by any person acting on behalf of Seller which is not contained in this Agreement will be valid or binding on Seller.

11.2 AS IS CONDITION: BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATION, WARRANTY, PROMISE, COVENANT, AGREEMENT OR GUARANTY OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY, INCLUDING, WITHOUT LIMITATION, (I) VALUE; (II) THE INCOME TO BE DERIVED FROM THE PROPERTY; (III) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, INCLUDING, WITHOUT LIMITATION, THE POSSIBILITIES FOR FUTURE DEVELOPMENT OF THE PROPERTY; (IV) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; (V) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY; (VI) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY; (VII) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAW, RULE, ORDINANCE OR REGULATION OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (VIII) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY; (IX) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAW, RULE, REGULATION, ORDER OR REQUIREMENT, INCLUDING, WITHOUT LIMITATION, TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, THE ENVIRONMENTAL LAWS, AND ANY AMENDMENTS TO ANY OF THE FOREGOING, AND ANY REGULATIONS PROMULGATED UNDER ANY OF THE FOREGOING; (X) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER, OR ADJACENT TO THE PROPERTY; (XI) THE CONTENT, COMPLETENESS OR ACCURACY OF THE DUE DILIGENCE ITEMS, ANY PRELIMINARY REPORT REGARDING TITLE; OR ANY OTHER ITEM MADE AVAILABLE FOR BUYER'S REVIEW; (XII) THE CONFORMITY OF THE IMPROVEMENTS TO ANY PLANS OR SPECIFICATIONS FOR THE PROPERTY, INCLUDING ANY PLANS AND SPECIFICATIONS THAT MAY HAVE BEEN OR MAY BE PROVIDED TO BUYER; (XIII) THE CONFORMITY OF THE PROPERTY TO PAST,

CURRENT OR FUTURE APPLICABLE ZONING OR BUILDING REQUIREMENTS; (XIV) DEFICIENCY OF ANY UNDERSHORING; (XV) DEFICIENCY OF ANY DRAINAGE; (XVI) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; (XVII) THE EXISTENCE OF VESTED LAND USE, ZONING OR BUILDING ENTITLEMENTS AFFECTING THE PROPERTY; OR (XVIII) WITH RESPECT TO ANY OTHER MATTER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION, AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION MADE AVAILABLE TO BUYER OR PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF SELLER WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. BUYER AGREES TO FULLY AND IRREVOCABLY RELEASE SELLER AND THE OTHER SELLER RELEASED PARTIES FROM ANY AND ALL CLAIMS THAT BUYER MAY NOW HAVE OR HEREAFTER ACQUIRE AGAINST SELLER OR ANY OF THE OTHER SELLER RELEASED PARTIES FOR ANY COSTS, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM SUCH INFORMATION OR DOCUMENTATION. NEITHER SELLER NOR ANY OF THE OTHER SELLER RELEASED PARTIES IS LIABLE OR BOUND IN ANY MANNER BY ANY ORAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS, AND THAT SELLER HAS NO OBLIGATIONS TO MAKE REPAIRS, REPLACEMENTS OR IMPROVEMENTS EXCEPT AS MAY OTHERWISE BE EXPRESSLY STATED HEREIN. BUYER REPRESENTS, WARRANTS, AND COVENANTS TO SELLER, WHICH REPRESENTATION, WARRANTY, AND COVENANT SHALL SURVIVE THE CLOSE OF ESCROW AND NOT BE MERGED WITH THE DEED, THAT BUYER IS RELYING SOLELY UPON BUYER'S OWN INVESTIGATION OF THE PROPERTY.

BY INITIALING BELOW, THE BUYER ACKNOWLEDGES THAT (i) THIS SECTION 11.2 HAS BEEN READ AND FULLY UNDERSTOOD, (ii) THE BUYER HAS HAD THE CHANCE TO ASK QUESTIONS OF ITS COUNSEL ABOUT ITS MEANING AND SIGNIFICANCE, AND (iii) THE BUYER HAS ACCEPTED AND AGREED TO THE TERMS SET FORTH IN THIS SECTION 11.2.

\_\_\_\_\_  
SELLER'S INITIALS

\_\_\_\_\_  
BUYER'S INITIALS

12. Governmental Approvals. Nothing contained in this Agreement shall be construed as authorizing Buyer to apply for a zone change, variance, subdivision map, lot line adjustment or other discretionary governmental act, approval or permit with respect to the Property prior to the Close of Escrow, and Buyer agrees not to do so without Seller's prior written approval, which approval may be withheld in Seller's sole and absolute discretion. Buyer agrees not to submit any reports, studies or other documents, including, without limitation, plans and specifications, impact statements for water, sewage, drainage or traffic, environmental review forms, or energy conservation checklists to any governmental agency, or any amendment or modification to any such instruments or documents prior to the Close of Escrow unless first approved by Seller, which approval Seller may withhold in Seller's sole discretion. Buyer's obligation to purchase the Property shall not be subject to or conditioned upon Buyer's obtaining any variances, zoning amendments, subdivision maps, lot line adjustment, or other discretionary governmental act, approval or permit.

13. Release. Buyer shall rely solely upon Buyer's own knowledge of the Property based on its investigation of the Property and its own inspection of the Property in determining the Property's condition. Buyer and anyone claiming by, through or under Buyer hereby waives its right to recover from and fully and irrevocably releases Seller and the other Seller Released Parties from any and all claims that Buyer and anyone claiming by, through or under Buyer, may now have or hereafter acquire against any of the Seller Released Parties for any loss, liability, damage, obligation, cost or expense (including, without limitation, attorneys' fees and court costs), demand, action, cause of action, directive, order, or judgment (collectively, "Claims") arising from or related to the Property, including, without limitation, environmental matters affecting (or in otherwise connection with) the Property or any portion thereof (including, without limitation, any claim under California Health & Safety Code, the Federal Water Pollution Control Act, the Clean Air Act, the Federal Resource Conservation and Recovery Act, the U.S. Environmental Protection Agency Regulations at 40 C.F.R., Part 261, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act of 1976, the Clean Water Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, the Occupational Safety and Health Act, the Emergency Planning and Community Right-to-Know Act of 1986, the Mine Safety and Health Act of 1977, any other statutory, common, case or other law related to any hazardous, toxic, infectious or contaminated substances, materials and wastes or similar materials, including, without limitation, oil, oil byproducts, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, PCEs, TCEs and any other materials which are "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "wastes," "regulated substances," "industrial solid wastes," or "pollutants," or the environment, any amendment to any of the foregoing, or any regulations, directives or guidelines promulgated in connection with any of the foregoing (collectively, "Environmental Laws"), or Title III of the Americans With Disabilities Act of 1990, as amended, or any regulations promulgated thereunder, or any other law). This release includes claims of which Buyer is presently unaware or which Buyer does not presently suspect to exist which, if known by Buyer, would materially affect Buyer's release to Seller and the other Seller Released Parties. Buyer specifically waives the provision of California Civil Code Section 1542, which provides as follows:

“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 THIS SETTLEMENT WITH THE DEBTOR.”

In this connection and to the extent permitted by law, Buyer hereby agrees, represents and warrants, which agreements, representations and warranties shall survive the Close of Escrow and not be merged with the Deed, that Buyer realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Buyer further agrees, represents and warrants, which agreements, representations and warranties shall survive the Close of Escrow and not be merged with the Deed, that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless hereby intends to release, discharge and acquit Seller and the other Seller Released Parties from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included as a material portion of the consideration given to Seller by Buyer in exchange for Seller’s performance hereunder. This Section 13 shall survive the Close of Escrow and shall not be merged with the Deed.

Seller has given Buyer material concessions regarding this transaction in exchange for Buyer agreeing to the provisions of this Section 13. Seller and Buyer have each initialed this Section 13 to further indicate their awareness and acceptance of each and every provision hereof.

\_\_\_\_\_  
SELLER’S INITIALS

\_\_\_\_\_  
BUYER’S INITIALS

14. Property: Hazardous Materials. This Section 14 shall survive the Close of Escrow and shall not be merged with the Deed.

14.1 From and after the Close of Escrow, Buyer shall protect, defend, indemnify and hold Seller and the other Seller Released Parties, free and harmless from and against any and all Claims, whether direct or indirect, known or unknown, or foreseen or unforeseen, of whatever kind or nature arising from or in any way connected with the physical condition of the Property or any other matter in connection with the Property, which arise after the Close of Escrow.

14.2 Buyer shall protect, indemnify and defend each of the Seller Released Parties, and hold each of the Seller Released Parties free and harmless, from and against any and all Claims in connection with any environmental matter affecting (or otherwise in connection with) the Property or any portion thereof or groundwater in, on, under or about the Property or any portion thereof, including, without limitation, any Claim in connection with any Environmental Law, or any Claim in connection with any use, generation, manufacture, storage, treatment, release, threatened release, discharge, disposal, transportation, migration or

presence any hazardous, toxic, infectious or contaminated substances, materials and wastes or similar materials, including, without limitation, oil, oil byproducts, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, PCEs, TCEs and any other materials which are "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances," "wastes," "regulated substances," "industrial solid wastes," or "pollutants" under any Environmental Law (collectively, "Hazardous Materials"). The Claims covered by such agreement to protect, indemnify, defend and hold harmless shall include, without limitation, (a) the investigation, remediation, and disposal of Hazardous Materials and protective measures against Hazardous Materials, (b) Claims of governmental agencies and entities and other third parties, and (c) Claims in connection with any Hazardous Material located in, on, under, over or about the Property or any portion thereof or groundwater in, on, under or about the Property or any portion thereof. Seller shall control the defense or negotiation (including, without limitation, any investigatory, response and remedial actions) of any Claim, including its compromise or settlement, with counsel and environmental consultant selected by Seller. No compromise or settlement in respect of such Claim may be reached without the Seller's prior written consent.

15. Indemnification. Buyer shall indemnify, defend, protect and hold harmless Seller and the other Seller Released Parties, from and against any and all Claims, whether direct or indirect, known or unknown, or foreseen or unforeseen, of whatever kind or nature which may arise from or be related to (a) Buyer's breach of any term or provision of this Agreement, or (b) Buyer's activities on or ownership of the Property, including, but not limited to, the acts or omissions of Buyer or its employees, agents, suppliers or contractors. Buyer's obligations hereunder shall survive the Close of Escrow and shall not be merged with the Deed.

16. Default.

16.1 LIQUIDATED DAMAGES - DEPOSIT: NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IF THE SALE OF THE PROPERTY TO BUYER IS NOT CONSUMMATED BY REASON OF BUYER'S DEFAULT UNDER THE AGREEMENT, SELLER SHALL BE ENTITLED TO TERMINATE THIS AGREEMENT AND RETAIN THE DEPOSIT AS SELLER'S LIQUIDATED DAMAGES. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE OF THE PROPERTY PURSUANT TO THIS AGREEMENT, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH FAILURE, PROVIDED, HOWEVER, THAT THIS PROVISION SHALL NOT LIMIT SELLER'S RIGHTS TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' FEES, NOR WAIVE OR AFFECT SELLER'S RIGHTS AND BUYER'S INDEMNITY OBLIGATIONS UNDER OTHER SECTIONS OF THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THE PAYMENT OF SUCH LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE

SECTION 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676, AND 1677. THE PARTIES HAVE SET FORTH THEIR INITIALS BELOW TO INDICATE THEIR AGREEMENT WITH THE LIQUIDATED DAMAGES PROVISION CONTAINED IN THIS SECTION.

\_\_\_\_\_  
SELLER'S INITIALS

\_\_\_\_\_  
BUYER'S INITIALS

16.2 No Specific Performance: As material consideration to Seller's entering into this Agreement with Buyer, Buyer expressly waives the remedy of specific performance on account of Seller's default under this Agreement and any right under California Code of Civil Procedure, Part II, Title 4.5 or at common law or otherwise to record or file a lis pendens or a notice of pendency of action or similar notice against all of any portion of the Property. In the event the Close of Escrow and the consummation of the transaction contemplated by this Agreement do not occur by reason of default by Seller, except as provided in the preceding sentence, Buyer as its sole remedy will be entitled to the termination of this Agreement and the return of its Deposit. Without limitation on the foregoing, Buyer shall have no right to, and Buyer hereby waives, any and all consequential damages, punitive damages and exemplary damages, and any other damages which would be predicated in whole or in part upon loss of bargain, opportunity lost, or any loss of anticipated benefits incurred by Buyer.

16.3 No Contesting Liquidated Damages: As material consideration to each party's agreement to the liquidated damages provisions stated above, each party hereby agrees to waive any and all rights whatsoever to contest the validity of the liquidated damage provisions for any reason whatsoever, including, but not limited to, that such provision was unreasonable under circumstances existing at the time this Agreement was made. .

16.4 Termination: Upon termination of this Agreement pursuant to this Section 16: (a) each party shall promptly execute and deliver to Escrow Holder such documents as Escrow Holder may reasonably require to evidence such termination; (b) Escrow Holder shall return all documents to the respective parties who delivered such documents to Escrow; (c) Buyer shall return to Seller all Due Diligence Items in Buyer's possession relating to the Property together with any tests or studies prepared by or on behalf of Buyer with respect to the Property; (d) the defaulting party shall pay Escrow Holder's title and escrow cancellation fees, if any; (e) the defaulting party shall pay to the other party the amounts owing under this Section 18; and (f) the other respective obligations of Buyer and Seller under this Agreement shall terminate; provided, however, notwithstanding the foregoing, Buyer's indemnity obligations and any rights of any party to recover reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and court costs, under Section 20 below shall survive any such termination of the Agreement. If this Agreement is terminated under any provision of this Agreement other than this Section 16, then clauses (a), (b), (c) and (f), above, shall apply to such termination, and Buyer shall pay the Escrow Holder's title and escrow cancellation fees, if any.

17. Resolution of Disputes. Seller and Buyer hereby consent to the sole jurisdiction of the Bankruptcy Court to resolve any dispute, claim or controversy between the parties arising out of or relating to the Property, this Agreement or any matter that is the subject of this Agreement, and agree that the Bankruptcy Court shall retain exclusive jurisdiction to resolve any dispute, claim or controversy between the parties arising out of or relating to the Property, the Agreement or any matter that is the subject of this Agreement.

18. Attorneys' Fees. If any action or proceeding is commenced by either party to enforce their rights under this Agreement or to collect damages as a result of the breach of any of the provisions of this Agreement, the prevailing party in such action or proceeding, including any bankruptcy, insolvency or appellate proceedings, shall be entitled to recover all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees and court costs, in addition to any other relief awarded by the court.

19. Notices. All notices, demands, approvals, and other communications provided for in this Agreement shall be in writing and shall be effective upon the earlier of the following to occur: (a) when delivered to the recipient; (b) when delivered by United States mail, postage prepaid by registered or certified mail, return receipt requested, addressed to the recipient as set forth below; or (c) when delivered by email. All notices to Seller shall be sent to Seller's Address. All notices to Buyer shall be sent to Buyer's Address. All notices to Escrow Holder shall be sent to Escrow Holder's Address. The foregoing addresses may be changed by written notice given in accordance with this Section. If the date on which any notice to be given hereunder falls on a day that is not a business day or after 5:00 p.m. (Pacific Time) on a business day, then such date shall automatically be extended to the next business day.

20. Amendment: Complete Agreement. All amendments and supplements to this Agreement must be in writing and executed by Buyer and Seller, and must have the prior written consent of Lender. This Agreement contains the entire agreement and understanding between Buyer and Seller concerning the subject matter of this Agreement and supersedes all prior agreements, terms, understandings, conditions, representations and warranties, whether written or oral, made by Buyer or Seller concerning the Property or the other matters which are the subject of this Agreement. This Agreement has been drafted through a joint effort of the parties and their counsel and, therefore, shall not be construed in favor of or against either of the parties.

21. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the United States Bankruptcy Code and the State of California.

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

23. Counterparts, Headings, and Defined Terms. This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall

constitute one Agreement. The headings to sections of this Agreement are for convenient reference only and shall not be used in interpreting this Agreement.

24. Time of the Essence. Time is of the essence of this Agreement.

25. Waiver. No waiver by Buyer or Seller of any of the terms or conditions of this Agreement or any of their respective rights under this Agreement shall be effective unless such waiver is in writing and signed by the party charged with the waiver.

26. Third Parties. This Agreement is entered into for the sole benefit of Buyer and Seller and their respective permitted successors and assigns. No party other than Buyer and Seller and such permitted successors and assigns shall have any right of action under or rights or remedies by reason of this Agreement, except that the Lender may enforce its rights to receive payments under this Agreement and its other rights under this Agreement.

27. Additional Documents. Each party agrees to perform any further acts and to execute and deliver such further documents which may be reasonably necessary to carry out the terms of this Agreement.

28. Independent Counsel. Buyer and Seller each acknowledge that: (i) it has been represented by independent counsel in connection with this Agreement; (ii) it has executed this Agreement with the advice of such counsel; and (iii) this Agreement is the result of negotiations between the parties hereto and the advice and assistance of their respective counsel. The fact that this Agreement was prepared by Seller's counsel as a matter of convenience shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against any party because such party's counsel prepared this Agreement in its final form.

29. Assignment; Cooperation with 1031 Exchange.

29.1 Buyer shall not assign this Agreement without Seller's prior written consent, which consent may be withheld in Seller's sole and absolute discretion, except as set forth below in this Section 29. Any purported assignment in violation of the terms of this Agreement shall be void. Seller shall not unreasonably withhold its consent to an assignment by Buyer to a partnership or limited liability company in which Buyer is the managing partner or managing member upon the satisfaction of the following conditions: (a) the assignee of Buyer shall assume all obligations of Buyer hereunder, but Buyer shall remain primarily liable for the performance of Buyer's obligations under this Agreement; (b) a copy of the fully executed written assignment and assumption agreement shall be delivered to Seller at least five (5) business days prior to Closing Date; and (c) such assignment must not cause a delay of, or be a condition to, the Close of Escrow.

29.2 Seller shall cooperate with Buyer in connection with Buyer's acquisition of the Property as part of a tax-deferred exchange; provided, however, that (a) the effecting of such exchange shall not cause a delay of or be a condition to the Close of Escrow, (b) any such exchange shall not relieve Buyer of any obligation or liability under this Agreement or the documents and instruments executed and delivered pursuant to this Agreement, (c) Seller shall not be obligated to take title to any property in connection with

any such exchange, (d) Seller shall not incur any cost, expense, obligation or liability in connection with any such exchange (including, without limitation, any indemnification or other obligations to any accommodator), and Seller shall not be required to modify or release any right or remedy in connection with any such exchange (including, without limitation, Seller's right to the Deposit) and (e) Buyer shall indemnify, defend, protect and hold harmless Seller and the other Seller Released Parties, from and against any and all damages, losses, liabilities, costs or expenses whatsoever (including attorneys' fees and costs) and claims therefor, whether direct or indirect, known or unknown, or foreseen or unforeseen, which may arise from or be related to any such exchange. Buyer's obligations under this Section 29.2 shall survive the Close of Escrow and shall not be merged with the Deed.

30. Successors and Assigns. Subject to Section 29, above, this Agreement shall be binding upon and inure to the benefits of the heirs, successors and assigns of the parties hereto.

31. Exhibits. Each reference to a Section or Exhibit in this Agreement shall mean the sections of this Agreement and the exhibits attached to this Agreement, unless the context requires otherwise. Each such exhibit is incorporated herein by this reference.

32. Duty of Confidentiality. Buyer and Seller each agrees to keep all information and/or reports obtained from the other, or related to or connected with the Property, the other party, or the transaction contemplated by this Agreement, confidential and will not disclose any such information to any person or entity without obtaining the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed, except to the extent Seller discloses any such information in connection with the bankruptcy proceedings of Seller, including, without limitation, the Order for Plan or Order for Sale.

33. Survival. Unless otherwise specifically set forth in this Agreement, none of the representations, warranties or indemnities set forth herein shall survive the Close of Escrow.

34. Binding Offer: Buyer's Bid; Deposit.

34.1 General. The preparation and/or delivery of unsigned drafts of this Agreement shall not create any legally binding rights in the Property and/or obligations of Seller, and Buyer acknowledges that this Agreement shall not be binding on Seller unless and until this Agreement is duly executed and delivered by both Buyer and Seller. Buyer understands and agrees that Seller shall have the right to continue to market the Property and/or to negotiate with other potential purchasers of the Property and/or accept back up offers to purchase the Property. When Buyer executes and delivers this Agreement to Seller and transfers the Deposit to Lender, this Agreement shall constitute an irrevocable offer by Buyer to purchase the Property under the terms of this Agreement, and Seller may accept such offer by executing and delivering this Agreement to Buyer at any time selected by Seller in its sole and absolute discretion. Buyer acknowledges and agrees that, without such irrevocable offer by Buyer to Seller, Seller would not allow Buyer to be a qualified bidder in the auction process of selecting the buyer of the Property under the Bid Procedures, and to make the offer under this Agreement and any higher bid made by Buyer at the auction contemplated by the

Bid Procedures ("Buyer's Bid"). Buyer acknowledges that the sale of the Property provided for in this Agreement is subject to approval of the Bankruptcy Court and is subject to overbidding, including potentially an auction, pursuant to the Bid Procedures or as otherwise permitted or ordered by the Bankruptcy Court. If Buyer's Bid is determined by the Seller and/or the Bankruptcy Court to be the highest and best bid ("Highest Bid"), then Seller may execute and deliver this Agreement (as amended as described below). If another bid is determined by the Seller and/or the Bankruptcy Court to be the Highest Bid and Buyer's Bid is the next highest and best bid as determined by the Seller and/or the Bankruptcy Court, then Buyer's Bid shall become the "Back-Up Bid". If Buyer's Bid is or becomes the Highest Bid, or if Buyer's Bid is the Back-Up Bid and Seller proceeds to close the sale to Buyer due to the failure of the Highest Bidder to close, and in each case if Buyer timely performs all of Buyer's obligations under this Agreement and all conditions to Seller's obligations under this Agreement are satisfied, then Buyer and Seller shall execute an amendment to his Agreement increasing the Purchase Price to the Buyer's Bid, and the Deposit shall be credited toward the Purchase Price, as the Purchase Price so increased. If Buyer's Bid is the Back-Up Bid, and Seller closes a sale of the Property to the party making the Highest Bid, Seller shall return the Deposit to Buyer within two (2) business days after such closing. If Buyer's Bid is neither the Highest Bid nor the Back-Up Bid, Seller shall return the Deposit to Buyer forthwith after the conclusion of the auction.

34.2 LIQUIDATED DAMAGES PRIOR TO EXECUTION BY SELLER-DEPOSIT: NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IF, PRIOR TO EXECUTION AND DELIVERY OF THIS AGREEMENT BY SELLER, BUYER ATTEMPTS TO RESCIND, REVOKE, MODIFY, OR OTHERWISE TERMINATE THIS IRREVOCABLE OFFER, OR IF BUYER OTHERWISE BREACHES THE PROVISIONS OF THIS IRREVOCABLE OFFER, SELLER SHALL BE ENTITLED TO RETAIN THE DEPOSIT AS SELLER'S LIQUIDATED DAMAGES. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S RESCISSION, REVOCATION, MODIFICATION, OR OTHER TERMINATION OF THIS IRREVOCABLE OFFER, OR BUYER'S BREACH OF THE PROVISIONS OF THIS IRREVOCABLE OFFER, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS IRREVOCABLE OFFER, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENT A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH ACTION BY BUYER. THE PARTIES ACKNOWLEDGE THAT THE PAYMENT OF SUCH LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTION 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676, AND 1677. THE PARTIES

HAVE SET FORTH THEIR INITIALS BELOW TO INDICATE THEIR AGREEMENT  
WITH THE LIQUIDATED DAMAGES PROVISION CONTAINED IN THIS SECTION.

\_\_\_\_\_  
SELLER'S INITIALS

\_\_\_\_\_  
BUYER'S INITIALS

IN WITNESS WHEREOF, Buyer and Seller do hereby execute this Agreement as of the date first written above.

SELLER:

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

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

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

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

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

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

BUYER:

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

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

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

ACCEPTANCE BY ESCROW HOLDER

Escrow Holder acknowledges receipt of the foregoing Agreement and accepts the instructions contained therein.

Dated: \_\_\_\_\_

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

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

Title: \_\_\_\_\_

EXHIBIT "A"

LEGAL DESCRIPTION

Legal Description

The Property referred to herein is situated in the County of Ventura, State of California, and is described as follows:

Parcel A, in the City of Camarillo, County of Ventura, State of California, as shown on a Parcel Map No. LD 276A filed in Book 45 Pages 95 and 96 of Parcel Maps, in the office of the County Recorder of said county.

EXCEPT from that portion of said land described in deed recorded September 4, 1987, as Document No. 87-143726 of Official Records, all oil, gas, minerals and other hydrocarbon substances in and under said land, without, however, the right to enter on the surface thereof, or within 500 feet beneath the surface thereof, as excepted by Philip Gisler and Philip A. Gisler, as Executor of the Estate of Albert C. Gisler, deceased, Ventura County Probate No. P-62671 records of Ventura County.

ALSO EXCEPT from that portion of said land described in deed recorded September 4, 1987, as Document No. 87-143725 Official Records, all oil, gas, minerals and other hydrocarbon substances in and under said land, without, however, the right to enter on the surface thereof, or within 500 feet beneath the surface thereof, as excepted by Dan A. Hartman, as to an undivided 1/2 interest and Howard E. Eden, as Trustee; under Trust Agreement dated July 19, 1973, as to an undivided 1/2 interest records of Ventura County.

APN: 165-101-060, 165-101-070, 165-101-040

EXHIBIT "B"

DUE DILIGENCE ITEMS

---

Attached to "Bidding Procedures" as  
Exhibit A

EXHIBIT "C"

RECORDING REQUESTED BY  
AND WHEN RECORDED  
MAIL THIS DEED AND,  
UNLESS OTHERWISE  
SHOWN BELOW,  
MAIL TAX STATEMENTS TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

THIS SPACE ABOVE FOR RECORDER'S USE

GRANT DEED

State of California  
County of \_\_\_\_\_

Documentary Transfer Tax Shown  
by Separate Affidavit Not of Record

THIS GRANT DEED ("Deed") is made as of \_\_\_\_\_, \_\_\_\_ by  
\_\_\_\_\_, a \_\_\_\_\_ ("Grantor"), to  
\_\_\_\_\_, a \_\_\_\_\_ (the "Grantee").

In consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Grantor, the Grantor does hereby grant, bargain, sell and convey unto the Grantee the Grantor's right, title and interest in that certain real property more particularly described in Exhibit "A" attached hereto (the "Property").

However, this conveyance is made subject to the liens securing payment of taxes and assessments, as well as to those matters of record, or matters that could be disclosed by a visual inspection or accurate survey of the Property, as of the date hereof, and all other "encumbrances" as that term is used is California Civil Code Section 1113(2).

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed by its representative thereunto duly authorized as of the day and year first above written.

GRANTOR

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, 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 is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(SEAL)

EXHIBIT "D"

ASSIGNMENT OF LEASES

THIS ASSIGNMENT OF LEASES ("Assignment") is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between \_\_\_\_\_, a \_\_\_\_\_ ("Assignor"), and \_\_\_\_\_, a \_\_\_\_\_ ("Assignee").

WITNESSETH:

WHEREAS, Assignor and Assignee are parties to that certain Agreement of Purchase and Sale and Joint Escrow Instructions dated as of \_\_\_\_\_, 20\_\_ (as amended, the "Agreement"), respecting the sale of certain "Property" (as described in the Agreement). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Agreement.

WHEREAS, under the Agreement, Assignor is obligated to assign to Assignee, to the extent transferable by Assignor, all of Assignor's right, title and interest in and to all Leases.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns, sells, transfers, sets over and delivers unto Assignee all of Assignor's estate, right, title and interest in and to the Leases, and Assignee hereby accepts such assignment.

By acceptance of this Assignment, Assignee hereby assumes the performance of all of the terms, covenants and conditions imposed upon Assignor under the Leases.

This Assignment shall be binding upon and inure to the benefit of the successors, assignees, personal representatives, heirs and legatees of all the respective parties hereto.

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

IN WITNESS WHEREOF, Assignor and Assignee have executed and delivered this Assignment as of the day and year first above written.

ASSIGNOR:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

ASSIGNEE:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_