

**DEPOSIT RECEIPT – PURCHASE AND SALE AGREEMENT
FOR VINEYARD HILLS
BUSINESS CONDOMINIUMS
[COMPLETED UNIT]**

BUYER:	_____
UNIT:	_____ ROAD/DRIVE
UNIT:	_____ BUSINESS CONDOMINIUMS

Effective Date: _____, 200__ (Date of Seller's Acceptance)

Pursuant to the terms and conditions of this Deposit Receipt - Purchase and Sale Agreement ("Agreement"), Triad Campus IV, LLC, a California limited liability company ("Seller"), agrees to sell to _____, a _____ ("Buyer"), and Buyer agrees to buy from Seller, Unit _____ of the Vineyard Hills Business Condominiums, City of Livermore ("City"), Alameda County ("County"), California, [as shown on the Condominium Plan attached hereto as Exhibit "A"] (the "Property"). The Property shall consist of the one (1) condominium unit located at _____ to be shown and described on the Condominium Plan for The Vineyard Hills Business Condominiums to be recorded in the Official Records of Alameda County, California, consisting of approximately _____ thousand _____ (± _____) square feet.

1. PURCHASE PRICE AND PAYMENT:

A. The purchase price for the Unit (the "Purchase Price") shall be _____ dollars (\$_____).

B. The Purchase Price does not include closing costs or loan fees. The Purchase Price is for the completed Unit as built out by Seller. Any additional modifications or additional improvements requested by Buyer to be provided by Seller must be described in a written addendum(s) approved in writing by both Seller and Buyer (a "Buyer's Unit Improvement Addendum"), in which event the above Purchase Price and the Deposit(as defined below) shall be adjusted to reflect the cost of implementing such modifications or additional improvements. Except as set forth in a Buyer's Unit Improvement Addendum, Buyer's installation of Tenant Improvements shall commence after close of escrow.

C. The Purchase Price shall be paid as follows:

(a) Initial Deposit (1% of Purchase Price): \$ _____

(b) Additional Deposit (4% of Purchase Price): \$ _____

(c) Cash balance on or before close of escrow \$ _____

D. In addition, Buyer shall pay at close of escrow fees, inspection fees and all fees and impounds required by its lender and the excess title insurance associated with any ALTA extended policy of title insurance, if requested by Buyer or Buyer's lender. Buyer and Seller shall pay the recording fees, escrow fees and any other fees incurred in connection with

closing this purchase and sale transaction as is provided in Paragraph 7 of this Agreement. Interest on the Deposit shall be credited to Buyer.

The Deposit, shall become non-refundable to Buyer after Buyer's conditions of purchase have been satisfied, as is provided in Paragraphs 2 and 4, below, but in no event later than the Contingency Removal Date (as defined below) (unless Seller elects in writing, in its sole discretion, to extend the Contingency Removal Date).

E. DEPOSIT. Upon the date of full execution of Purchase Agreement (the "Effective Date"), Buyer shall deliver to escrow the Initial Deposit in the amount of one percent (1%) of the Purchase Price, which Initial Deposit shall be applicable to the Purchase Price (defined in Paragraph 1) and refundable to Buyer until Buyer's satisfaction or waiver of the Conditions described in Paragraph 2 and Paragraph 3. Upon Buyer's satisfaction or waiver of the Conditions described in Paragraph 2 and Paragraph 3, Buyer shall deliver to escrow the Additional Deposit in the amount of four percent (4%) of the Purchase Price, which Additional Deposit shall be applicable to the Purchase Price, at which time the Initial Deposit and the Additional Deposit (collectively "the Deposit") shall be non-refundable to Buyer per the terms of the Purchase and Sale Agreement and shall be released to Seller, subject to the terms and conditions of this Agreement.

2. CONDITIONS OF PURCHASE: Buyer's obligation under this Agreement shall be conditioned upon Buyer reviewing and satisfying itself, in its sole discretion, within the timeframes stated, and if not otherwise stated on or before the date that is **[thirty (30)] [sixty (60)]** days after the Effective Date (the "Contingency Removal Date"), of the following matters:

INITIALS: _____

A. Intended Use: Buyer shall have the right to meet with the City or any other parties to satisfy itself with respect to the zoning, governmental regulations, restrictions, laws, permits, fees and approvals that apply to the Property and its intended use. Seller makes no warranty or representation regarding the merchantability or usability of the Property, the determination of which shall be Buyer's sole responsibility.

B. Title: Review and approval by Buyer of the Preliminary Title Report for the Property, including all documents referred to in said Title Report within fifteen (15) days after the delivery thereof by Seller to Buyer, which Seller shall deliver to Buyer no later than five (5) days after the Effective Date.

C. The Project Documents listed in Paragraph 8 below. Seller shall provide drafts of such Project Documents as listed in Paragraph 8, below within fifteen (15) days after the Effective Date.

D. Arrangement of financing as is more fully described in Paragraph 3, below.

E. THIS AGREEMENT AND THE OBLIGATIONS OF SELLER AND BUYER UNDER THIS AGREEMENT ARE EXPRESSLY CONTINGENT UPON THE APPROVAL BY THE CITY AND RECORDATION OF A FINAL SUBDIVISION MAP FOR CONDOMINIUM PURPOSES WITH THE COUNTY RECORDER ON OR BEFORE _____, 200_ (THE "MAP CONTINGENCY"). SELLER SHALL HAVE THE RIGHT TO EXTEND THIS MAP CONTINGENCY DATE FOR THIRTY (30) DAYS TO AND INCLUDING _____, 200_ BY WRITTEN NOTICE TO BUYER DELIVERED ON OR BEFORE _____, 200_. IF THE MAP CONTINGENCY IS NOT MET, BUYER OR SELLER MAY TERMINATE THIS AGREEMENT, IN

WHICH EVENT SELLER SHALL RETURN OR CAUSE THE ESCROW HOLDER TO RETURN ALL OF BUYER'S DEPOSITS TO BUYER AND THIS AGREEMENT SHALL THEREAFTER BE OF NO FURTHER FORCE OR EFFECT. UPON SUCH TERMINATION, AND RETURN OF DEPOSITS, SELLER SHALL HAVE NO FURTHER OBLIGATIONS TO BUYER, AND BUYER SHALL HAVE NO FURTHER OBLIGATIONS TO SELLER. ALL COSTS OF DUE DILIGENCE OR OTHER EXPENDITURES MADE BY BUYER DURING THE MAP CONTINGENCY SHALL BE INCURRED BY BUYER WITH NO OBLIGATION OF SELLER TO REIMBURSE BUYER FOR ANY SUCH EXPENDITURE.

If Buyer, in its sole discretion, is unable to satisfy itself regarding the acceptability of the above conditions, including the arrangement of financing needed to purchase the Property, within the time frames stated, and in any event no later than the Contingency Removal Date, then Buyer may elect to terminate this Agreement by providing written notice to Seller and the Escrow Holder (as defined below) on or before the expiration of the Contingency Removal Date. If Buyer timely terminates this Agreement on or before the expiration of the Contingency Removal Date, Buyer's Deposit, less any charges paid out of escrow for appraisal fees, escrow charges and any unpaid sums owing to Seller's project architect, for the costs of space planning for Buyer in excess of the cost of an initial space plan (which initial space plan cost shall be borne by Seller), shall be immediately refunded to Buyer, and this Agreement will then have no further force or effect.

When Buyer has determined that all of the above items are acceptable to Buyer and the financing needed to purchase the Property has been arranged (but in no event later than the Contingency Removal Date, Buyer shall deliver written notice to Seller and the Escrow Holder that its conditions of purchase set forth in this Paragraph 2 and in Paragraph 3 below and Paragraph 4 below have been satisfied. If Buyer delivers to Seller written notice of satisfaction of all of such conditions, the Deposit equal to five percent (5%) of the Purchase Price shall become non-refundable to Buyer and shall be released to Seller at the conclusion of the Contingency Removal Date except in the event of a default on the part of Seller.

If Buyer does not deliver to Seller a written acceptance of all of Buyer's conditions of purchase set forth in this Paragraph 2 and Paragraph 3 and Paragraph 4 below on or before the Contingency Removal Date, then Buyer's conditions of purchase shall be not to be satisfied and Seller shall have the right to terminate this Agreement by written notice to Buyer and the Initial Deposit, less any charges paid out of escrow for appraisal fees, escrow charges or design fees due to the Project architect, shall be immediately refunded to Buyer, and this Agreement will then have no further force or effect.

If, on or before the Contingency Removal Date, all conditions of Buyer's purchase of the Property have not been satisfied, Seller shall have the right, but not the obligation, to give Buyer written notice of an additional period of time to be determined by Seller during which Buyer may satisfy itself of any of the matters set forth above. If Buyer has not delivered written notice to Seller and the Escrow Holder that its conditions of purchase have been satisfied within the stated additional time period, this Agreement shall be deemed to be terminated without further notice to Buyer, and the Initial Deposit, less any charges paid out of escrow for appraisal fees, escrow charges or design fees due to the Project architect, shall be immediately refunded to Buyer, and this Agreement will then have no further force or effect.

3. FINANCING: If, on or before the Contingency Removal Date, Buyer does not provide to Seller a written statement that Buyer has obtained a written loan commitment on terms and in sufficient amount to complete the purchase of the Property, and a copy of such written loan commitment, then this Agreement shall be deemed to have been terminated and

Buyer's Deposit shall be immediately refunded to Buyer. Seller may, from time to time, furnish Buyer with names of lenders as an accommodation only. Buyer acknowledges that Seller is not an agent of any such lender, including SBA, Buyer is free to choose any lender acceptable to Buyer, and that Seller has not agreed to obtain any loan for Buyer.

4. CONSTRUCTION OF IMPROVEMENTS: Prior to the close of escrow hereunder, Seller shall complete, or cause to be completed, the construction of the building in which the Property is located and the Unit as agreed upon between Buyer and Seller under this Agreement. It is estimated, but not guaranteed, that completion of the Unit and the other components of the construction of the Common Areas of such building will be substantially completed (subject to punch list items) by _____, 200_ (the "Estimated Unit Completion Date"). Seller shall notify Buyer in writing thirty (30) days prior to the anticipated date of completion of the Unit ("Unit Completion Notice"). Within _____ (__) days after delivery of said Unit Completion Notice, Seller and Buyer, the Seller's contractor and the Buyer's construction representative, if any, shall meet at the Project and confirm that the Unit has been substantially completed in form and substance in a condition to permit Buyer's use and occupancy of the Unit [**other than** installation of any Buyer's Unit Improvements]. The Unit shall be deemed substantially completed upon the date Seller's project architect and general contractor have certified that the Unit has been substantially completed in accordance with its final plans and specifications, except for any punch list items. [**Completion for purposes of this section of the Agreement shall be the completion of the building in which the Unit is located and the Unit with the improvements stated in Exhibit "B".**]

For purposes herein, the term "Force Majeure Delay" shall mean any delay which is attributable to any: (a) actual delay or failure to perform attributable to any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of Seller or its contractors or other representatives), civil disturbance; future order of any governmental entity claiming jurisdiction; act of a public enemy; war; riot, sabotage, blockade, or embargo; or inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body or otherwise; (b) unreasonable delay in the issuance of applicable governmental permits, certificates and/or approvals due to action or inaction of the City; (c) delay in completing plans and specifications because of changes in any laws or building requirements, or the interpretation thereof; or (d) delay attributable to lightning, earthquake, fire, rain, storm, flood, washout, explosion, or any other cause beyond the reasonable control of Seller, or any of its contractors or other representatives. A Force Majeure Delay shall not include a delay due to financial inability of Seller to perform.

5. FAILURE TO COMPLETE: If Seller fails to substantially complete construction of the Unit referred to in Paragraph 4 within ninety (90) days following the Estimated Completion Date, as such Estimated Completion Date shall be extended one day for each day that construction of such building, or applicable portion thereof, is delayed due to any Force Majeure Delay, Buyer, as Buyer's sole remedy, may terminate this Agreement by written notice to Seller and Escrow on or before the date ten (10) days following the expiration of such period. On termination, Buyer's Deposits shall be returned in full within ten (10) days of such written notice of termination, and this Agreement shall then become null and void.

6. BUYER TO EXECUTE ALL DOCUMENTS: Buyer shall execute promptly all documents and make all deposits required by this Agreement, title company, escrow holder, lender or governmental agencies having jurisdiction over matters in question.

7. ESCROW, CLOSING DATE, CLOSING COSTS, PRORATIONS AND TITLE:

The "Escrow Holder" is:

FIRST AMERICAN TITLE INSURANCE COMPANY
Attn: Diane Burton
6683 Owens Drive
Pleasanton, CA 94588
Office: (925) 201-6603
Fax: (925) 738-4046

Buyer's Initial Deposit shall be deposited with Escrow Holder within three (3) business days after both Buyer and Seller have executed this Agreement.

Escrow will close within five (5) Days following the substantial completion (as defined in Paragraph 4 above) of construction of the building in which the Property is located in conformance with the applicable building plans and specifications (the "Scheduled Closing Date"). The Scheduled Closing Date is estimated to occur on [REDACTED], 200. The date that Seller's Grant Deed describing the Property records in favor of Buyer is referred to herein as the "Closing Date."

[This escrow shall close not more than five (5) days after receiving permit sign-offs from the City.]

Notwithstanding the foregoing, as a condition to Buyer's obligation to close escrow hereunder, the following events shall have occurred on or before such closing:

A. THE PROPERTY IS THE SUBJECT OF A TENTATIVE PARCEL MAP FOR CONDOMINIUM PURPOSES THAT HAS BEEN FILED BY SELLER WITH THE CITY. THE CLOSE OF ESCROW IS EXPRESSLY CONTINGENT UPON THE APPROVAL BY THE CITY OF THE TENTATIVE PARCEL MAP FOR CONDOMINIUM PURPOSES AND THE APPROVAL AND RECORDATION OF A FINAL PARCEL MAP FOR CONDOMINIUM PURPOSES IN ACCORDANCE WITH THE REQUIREMENTS OF THE CITY.

B. All deeds of trust affecting the Property, if any, shall have been released from the Property or reconveyed or partially reconveyed so as to no longer encumber the Property, or the holder(s) of the deeds of trust shall have executed a release agreement or reconveyance which agreement or reconveyance shall have been deposited with Escrow Holder with instructions to record the same on or before the closing hereunder;

C. Seller (or its general contractor) shall have recorded a Notice of Completion, as defined in Section 3093 of the Civil Code, for the construction of the building referred to in Paragraph 4 above;

D. The final Project Declaration of Covenants and Restrictions have been recorded in the County Official Records; and

E. Buyer shall be provided with a CLTA policy of title insurance for the Property, consisting of a commercial condominium unit and an undivided interest in the common area, or Escrow Holder shall be committed and willing to issue to Buyer a CLTA policy of title insurance and an endorsement insuring Buyer against unrecorded mechanics' liens, or the statutory period for recording of any mechanic's liens created by the Notice of Completion shall

have expired. The CLTA policy of title insurance to the Property shall insure title to the Property at close of escrow being free and clear of all liens and encumbrances of record except for those stated in the Preliminary Title Report as approved by Buyer, the Project Declaration of Covenants and Restrictions and any other Project Documents, and the lien of Buyer's financing.

If escrow does not close on or within five (5) business days after the Scheduled Closing Date referred to above for any reason other than Seller's default, Escrow Holder is hereby authorized and instructed to debit or charge Buyer and credit Seller carrying charges at the rate of two hundred dollars (\$200) per day from the Scheduled Closing Date to the date that Buyer's funds are disbursed by Buyer or Buyer's lender to Seller, or the date that the deed transferring title to Buyer is recorded, whichever first occurs. Notwithstanding the foregoing sentence, nothing stated in this paragraph shall obligate Seller to extend the actual date for close of escrow beyond the Scheduled Closing Date referred to above.

Property taxes, insurance (to be assumed by Buyer), assessments and other customarily prorated items shall be prorated as of the Closing Date. Buyer shall receive a CLTA policy of title insurance at the Closing Date insuring title in Buyer's name free and clear of liens and encumbrances (except those created by Buyer) and subject to the lien of current taxes and assessments (not delinquent), the recorded Project Declaration of Covenants and Restrictions (defined below), and any and all easements, reservations, rights and rights of way and other matters of record. The title insurance premium for such title policy and all title endorsements requested by Buyer shall be borne by Seller. All bonds and assessments that are part of or paid with the property tax bill will be assumed by Buyer. Current installments will be prorated as of the Closing Date.

Pursuant to the custom in the County, escrow fees and recording fees shall be paid by Seller. The County transfer tax shall be paid by Seller. The cost of city transfer tax shall be paid in equal parts by Buyer and Seller.

8. RECEIPT OF DOCUMENTS: The following documents ("Project Documents") shall be made available for examination by Buyer within fifteen (15) days after the Effective Date.

A. Draft Declaration of Covenants and Restrictions Establishing a Plan for Condominium Ownership for Vineyard Hills Business Condominiums (the "Project Declaration of Covenants and Restrictions");

B. Draft Articles of Incorporation and Bylaws of the Vineyard Hills Business Condominiums Association and any available financial statements;

C. Draft Condominium Plan for the Vineyard Hills Business Condominiums;

D. Natural Hazard Disclosure Report;

E. Draft Vineyard Hills Business Condominium Association Annual Budget;

F. Plans and specifications relative to the Building in which the Property is located and the Condominium Plan showing the Common Area;

9. OWNERS' ASSOCIATION: Buyer acknowledges that the Association known as the Vineyard Hills Business Condominium Association has been established for the purpose of operating and maintaining the common areas and facilities of the Vineyard Hills Business

Condominium Project, and Buyer agrees to become a member of the Association and to abide by the Bylaws thereof. The Property is subject to Project Declaration of Covenants and Restrictions. The monthly maintenance and operational assessments to be paid to the Association by the owner of each individual property (which assessments are set forth in the approved budget) are based upon Seller's best estimates. The budget may be revised annually.

10. NOTICES: Any notices shall be sent to Buyer and Seller at their addresses set forth below. If notice is sent by personal delivery or courier, notice shall be deemed given when actually received by Buyer or Seller, as the case may be. If sent by mail, notice shall be deemed given forty-eight (48) hours after deposit in the United States mail, postage prepaid. Either party may change its address for the purposes of this Paragraph 10 by giving written notice in the manner set forth herein. BUYER UNDERSTANDS AND ACKNOWLEDGES THAT BUYER IS RESPONSIBLE FOR ADVISING SELLER OF ANY CHANGE IN BUYER'S ADDRESS FROM THE ADDRESS STATED IN THIS AGREEMENT, AND SELLER SHALL BE ENTITLED TO RELY UPON THE ADDRESS OF BUYER STATED IN THIS AGREEMENT UNLESS AND UNTIL IT HAS BEEN CHANGED BY BUYER IN THE MANNER SET FORTH IN THIS PARAGRAPH 10.

11. POSSESSION: Possession shall be delivered to Buyer at the close of escrow. Buyer shall not make any improvements or installations to the Unit before Close of Escrow [except as permitted by Seller pursuant to an Early Occupancy Agreement signed by Seller].

12. LIQUIDATED DAMAGES: IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY BY REASON OF A DEFAULT BY BUYER, SELLER SHALL BE RELEASED FROM ALL OBLIGATIONS TO SELL THE PROPERTY TO BUYER, AND SELLER MAY PURSUE ANY REMEDY THAT SELLER MAY HAVE IN LAW OR EQUITY AGAINST BUYER ON ACCOUNT OF THE DEFAULT, PROVIDED, HOWEVER, THAT BY PLACING THEIR INITIALS HERE (**BUYER _____**) (**SELLER _____**) THE PARTIES AGREE THAT:

A. THE COMBINED AMOUNT OF THE INITIAL DEPOSIT AND THE ADDITIONAL DEPOSIT DESCRIBED IN PARAGRAPH 1, PLUS ANY FURTHER DEPOSITS CREATED OUT OF ANY ADDENDA TO THIS AGREEMENT (COLLECTIVELY THE "LIQUIDATED DAMAGES AMOUNT"), REGARDLESS OF WHETHER SUCH DEPOSITS HAVE BEEN RELEASED TO SELLER PURSUANT TO THE TERMS OF AN ADDENDUM TO THIS AGREEMENT, REPRESENTING SELLER'S ESTIMATE OF THE PROBABLE COST OF TAKING THE PROPERTY BACK INTO INVENTORY, IT BEING AGREED THAT SELLER'S ACTUAL DAMAGES WOULD BE DIFFICULT TO COMPUTE AND THAT SAID AMOUNT OF LIQUIDATED DAMAGES BEARS A REASONABLE RELATIONSHIP TO SELLER'S PROBABLE ACTUAL DAMAGES IN THE EVENT OF BUYER'S DEFAULT, SHALL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO SELLER IN THE EVENT OF A DEFAULT BY BUYER; AND

B. THE PAYMENT OF SUCH LIQUIDATED DAMAGES TO SELLER SHALL CONSTITUTE THE EXCLUSIVE REMEDY OF SELLER ON ACCOUNT OF THE DEFAULT OF BUYER AND SHALL BE IN LIEU OF ANY OTHER MONETARY RELIEF TO WHICH SELLER MIGHT OTHERWISE BE ENTITLED; AND

C. THE SUM STIPULATED AS THE LIQUIDATED DAMAGES AMOUNT SHALL BE PAYABLE TO SELLER OUT OF BUYER'S DEPOSITS TOWARD THE PURCHASE PRICE OF THE PROPERTY ACCORDING TO THE FOLLOWING PROCEDURES:

i. AT ANY TIME AFTER THE DATE PROVIDED HEREIN FOR THE CLOSE OF ESCROW, OR ANY EXTENDED DATE FOR CLOSING, OR ANY EARLIER DATE THAT BUYER BREACHED THE TERMS HEREOF, SELLER SHALL GIVE WRITTEN NOTICE TO ESCROW HOLDER AND TO BUYER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, STATING THAT THE BUYER IS IN DEFAULT AND DEMANDING, UNLESS THE DEPOSITS HAVE BEEN PREVIOUSLY RELEASED TO SELLER, THAT THE ESCROW HOLDER REMIT TO THE SELLER THE LIQUIDATED DAMAGES AMOUNT FROM THE PURCHASE DEPOSITS HELD BY THE ESCROW HOLDER AS LIQUIDATED DAMAGES, UNLESS THE BUYER GIVES WRITTEN OBJECTION TO THE ESCROW HOLDER WITHIN TEN (10) DAYS. THE BUYER SHALL HAVE TEN (10) DAYS FROM THE DATE OF RECEIPT OF THE SELLER'S NOTICE AND DEMAND IN WHICH TO GIVE THE ESCROW HOLDER BUYER'S WRITTEN OBJECTION TO DISBURSEMENT OF THE DEPOSITS AS LIQUIDATED DAMAGES AND INSTRUCTIONS TO THE ESCROW HOLDER NOT TO SO DISBURSE THE DEPOSITS.

ii. IF BUYER GIVES SUCH WRITTEN OBJECTION AND INSTRUCTIONS TO ESCROW HOLDER, WITHIN TEN (10) DAYS AFTER THE RECEIPT OF SELLER'S NOTICE AND DEMAND, THE CONTROVERSY AND THE DISPOSITION OF THE FUNDS DEPOSITED INTO THE ESCROW BY BUYER, AND EVERY OTHER DISPUTE BETWEEN SELLER AND BUYER THAT HAS ARISEN UNDER THIS AGREEMENT, SHALL BE SETTLED BY ARBITRATION WITH THE AMERICAN ARBITRATION ASSOCIATION, IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

iii. IF BUYER FAILS TO GIVE THE NOTICE DESCRIBED IN SUBSECTION (1) ABOVE, IN THE MANNER OF DELIVERY DESCRIBED, TO THE ESCROW HOLDER OF BUYER'S OBJECTION WITHIN TEN (10) DAYS AFTER THE RECEIPT OF SELLER'S NOTICE AND DEMAND: (a) ESCROW HOLDER SHALL PROMPTLY REMIT THE LIQUIDATED DAMAGES AMOUNT TO SELLER; AND (b) SELLER SHALL BE RELEASED FROM ANY OBLIGATION TO SELL THE PROPERTY TO BUYER.

iv. IF THE CONTROVERSY IS REFERRED TO ARBITRATION, THE PROVISIONS OF PARAGRAPH 13, SUB-PARAGRAPHS A, B, C, D AND E SHALL APPLY.

13. ARBITRATION OF DISPUTES: IT IS AGREED THAT ANY CLAIM OR DISPUTE BETWEEN THE BUYER AND THE SELLER, OR GENERAL CONTRACTOR OR BROKER, ARISING OUT OF THIS AGREEMENT OR RELATING IN ANY WAY TO THE PROPERTY BEING PURCHASED HEREUNDER AND EVERY OTHER DISPUTE BETWEEN SELLER AND BUYER THAT HAS ARISEN UNDER THIS AGREEMENT, SHALL BE DETERMINED BY SUBMISSION TO BINDING ARBITRATION WITH THE AMERICAN ARBITRATION ASSOCIATION, OR SUCH OTHER ARBITRATOR THAT THE PARTIES MUTUALLY SELECT, PURSUANT TO THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, OR PROCEDURES THAT ARE EQUIVALENT IN SUBSTANCE. ANY ARBITRATION SHALL INCLUDE EVERY CAUSE OF ACTION THAT HAS ARISEN BETWEEN THE BUYER AND THE SELLER UNDER THIS AGREEMENT.

IF THE CONTROVERSY IS REFERRED TO ARBITRATION, THE FOLLOWING SHALL

APPLY:

A. COSTS AND FEES, INCLUDING ONGOING COSTS AND FEES OF THE ARBITRATION SHALL BE PAID AS AGREED BY THE PARTIES, AND, IF THE PARTIES CANNOT AGREE, AS DETERMINED BY THE ARBITRATOR, WITH THE COSTS AND FEES OF THE ARBITRATION TO ULTIMATELY BE BORNE AS DETERMINED BY THE ARBITRATOR;

B. A NEUTRAL AND IMPARTIAL INDIVIDUAL SHALL BE APPOINTED TO SERVE AS ARBITRATOR, WITH THE ARBITRATOR TO BE APPOINTED WITHIN A PERIOD OF TIME, WHICH IN NO EVENT SHALL BE MORE THAN SIXTY (60) DAYS FROM THE ADMINISTRATOR'S RECEIPT OF A WRITTEN REQUEST FROM A PARTY TO ARBITRATE THE CLAIM OR DISPUTE. IN SELECTING THE ARBITRATOR, THE PROVISIONS OF §1297.121 OF THE CODE OF CIVIL PROCEDURE SHALL APPLY. AN ARBITRATOR MAY BE CHALLENGED FOR ANY OF THE GROUNDS LISTED IN §1297.121, OR IN §1297.124 OF THE CODE OF CIVIL PROCEDURE;

C. VENUE OF THE ARBITRATION TO BE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, UNLESS THE PARTIES AGREE TO SOME OTHER LOCATION;

D. THE ARBITRATOR SHALL BE AUTHORIZED TO PROVIDE ALL RECOGNIZED REMEDIES AVAILABLE IN LAW OR EQUITY FOR ANY CAUSE OF ACTION THAT IS THE BASIS OF ARBITRATION; PROVIDED HOWEVER THAT THERE SHALL IN NO EVENT BE ANY AWARD OF PUNITIVE DAMAGES.

E. A JUDGMENT UPON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

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

WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION. BY PLACING THEIR INITIALS HERE (BUYER _____) (SELLER _____) THE PARTIES AGREE TO ARBITRATION.

IF THE MATTER PROCEEDS TO ARBITRATION, DISCOVERY SHALL BE ALLOWED PURSUANT TO CODE OF CIVIL PROCEDURE §1283.05. ARBITRATION OF ANY MATTER PURSUANT TO THIS CLAUSE SHALL NOT BE DEEMED A WAIVER OF THE ATTORNEY/CLIENT OR ATTORNEY/WORK PRODUCT PRIVILEGE IN ANY MANNER.

14. PERSONAL PROPERTY AND LIABILITY INSURANCE: The Association will maintain an insurance policy that covers the Common Areas of the Project as required under

the Project Declaration of Covenants and Restrictions.

This policy may not cover the improvements in the Unit or the personal property and effects of the occupants and may not cover the Unit Owner's personal liability for injuries or damages occurring within the Unit or Common Areas. It is the responsibility of each owner and occupant to obtain his or her own insurance in this regard. Said insurance shall be in effect at close of escrow. The Owner or Owners of Units shall obtain hazard insurance policies that covers the full replacement value of fixtures and improvements of the Units as originally installed by the Declarant and any equivalent replacements made thereto, including interior walls, ceilings, doors, floor and wall surfaces, utility fixtures, cabinets, heating and air conditioning systems, water heaters installed as part of the original construction of the Unit, including, but not limited to, the doors, roll up doors and windows of the Unit and any trade fixtures or other fixtures or improvements installed by the Owner and personal property located in the Unit and any improvements and upgrades to the foregoing. In addition, each Unit Owner shall obtain and keep in full force and effect hazard or casualty insurance covering the improvements located within the Unit that are not covered by the Association's insurance and personal property within the Unit

15. REASSESSMENT NOTICE: The Property may be reassessed on the change of ownership. The reassessment will be effective as of close of escrow and a supplemental tax bill may be sent to the Buyer requiring the payment of additional property taxes based upon the purchase price of the Property. It shall be the responsibility of the Buyer to pay this supplemental tax bill. If an impound account for the payment of property taxes is used, the amount of impound payments may increase.

16. PROPERTY INSPECTION: Buyer agrees to participate in a walk-through inspection together with a representative of Seller before the close of escrow to identify visible deficiencies apparent at the time of inspection. Such deficiencies will be described on the "Walk-Through Inspection Report" attached hereto as Exhibit "C." If Buyer fails or refuses to complete the inspection and/or to initial the Walk-Through Inspection Report, or have Buyer's agent do so on Buyer's behalf, forty-eight (48) hours prior to the close of escrow, Seller may either designate a qualified third party to complete the inspection on Buyer's behalf before close of escrow or, at Buyer's election, Buyer may waive its right to participate in the inspection, in writing, in which case Seller shall conduct the inspection together with the designated qualified third party prior to close of escrow and, in such event, the completed Walk-Through Inspection Report shall be deemed to be accurate and complete. In the event that Buyer claims that a visible deficiency noted by Buyer after close of escrow should be covered, and said deficiency is not noted on the Walk-Through Inspection Report, Buyer shall have the burden of overcoming a presumption in favor of the accuracy and completeness of the Walk-Through Inspection Report in any arbitration or litigation, should Seller reject Buyer's claim. Notwithstanding the foregoing, the warranties provided in Section 19 shall apply to the Property.

17. FIRPTA: The Foreign Investment and Real Property Tax Act ("FIRPTA") requires a buyer purchasing real property from a foreign person to withhold tax from the sale proceeds unless an exemption applies. Seller agrees to provide Buyer with a certification establishing that Seller is not a foreign person and that no federal income tax is required to be withheld under FIRPTA, or to consent to the withholding of tax from the proceeds of sale, as required.

18. MEASUREMENTS: All measurements are approximate and taken from the outside of exterior walls to the center of interior walls dividing properties.

19. CONSTRUCTION WARRANTY: Seller's general contractor responsible for constructing the Property shall warrant the Property and, if applicable, the interior improvements caused to be constructed by Seller within the Property (but not any equipment included in the Property or any improvements constructed or installed, or caused to be constructed or installed, by Buyer) against defects in material and workmanship for a period of twelve (12) months from the issuance by the City of a Certificate of Occupancy or its equivalent for the Property. Seller shall assign Seller's warranty from the Contractor for the Property at the Close of Escrow. Said warranty extends only to Buyer and shall be effective only as to claims of defects of which Seller and the general contractor are notified in writing by Buyer within the warranty period. The general contractor's sole obligation shall be either to repair or replace any defect which is warranted hereunder. Any repair or replacement is warranted against defects in material and workmanship for a period ending on the date said warranty expires with regard to the original construction to which the repair or replacement was made.

Buyer agrees that Seller, Seller's general contractor and Seller's architect shall not be liable for consequential damages arising as a result of a defect warranted hereunder. Seller shall inform Buyer of, and assign to Buyer (to the extent assignable) at the close of escrow hereunder, all written equipment warranties, if any, existing in favor of Seller which affect any equipment included solely in the Property caused to be constructed by Seller. The warranties to be given as set forth in this Paragraph 19 are all of the warranties of Seller and Seller's general contractor with respect to the Property. SELLER AND SELLER'S GENERAL CONTRACTOR MAKE NO OTHER EXPRESS OR IMPLIED WARRANTY WITH RESPECT TO THE CONSTRUCTION OF THE PROPERTY INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF FITNESS FOR PURPOSE, SUITABILITY OR MERCHANTABILITY.

20. BROKERAGE COMMISSION: Seller represents and warrants to Buyer that it has not dealt with any real estate broker, agent or salesperson in connection with this transaction other than _____. Buyer represents and warrants to Seller that it has not dealt with any real estate broker, agent or salesperson in connection with this transaction other than _____ ("Buyer's Broker"). If and when escrow closes hereunder, Seller shall pay to _____ a real estate commission pursuant to the terms of a separate written agreement and three percent (3%) of the Purchase Price to _____ Broker. For purposes of this Section 21, the Purchase Price shall include the costs of Buyer's Unit Improvements made by Seller for Buyer under the Buyer's Unit Improvements Addendum. In no event shall Seller be liable to _____ or Buyer's Broker for the payment of any commission or other fee in connection with this Agreement if escrow fails to close for any reason. Each party shall indemnify, defend and hold harmless the other on account of any claims, demands, causes of action or judgments respecting payment of any sales commission, brokerage commission or finder's fee, including attorneys' fees and court costs, arising from or brought by any third party (other than _____ and Buyer's Broker) who has dealt or claims to have dealt with such indemnifying party pertaining to the Property. The obligations to indemnify, defend and hold harmless as provided in this Paragraph 20 shall survive the close of escrow or termination of this Agreement.

21. 1031 EXCHANGE: Buyer and Seller agree to reasonably cooperate with each other in the event that either or both wish to participate in a 1031 exchange provided that such exchange shall not delay any of the time periods described in this Agreement. The party initiating an exchange shall bear all costs of such exchange(s). The exchanging party agrees to indemnify and hold harmless the cooperating party from any claim, damage, liability, loss, cost or expense including, without limitation, reasonable attorney's fees that the cooperating party may suffer or incur as a result of this participation or cooperation in the exchange(s).

22. ASSIGNMENTS: This Agreement shall bind heirs, executors, administrators, successors, and assigns of the parties. Buyer may not assign without written consent of Seller (which consent may be granted or withheld by Seller in Seller's sole discretion) except to an entity owned or controlled by the same principals as Buyer.

23. MODIFICATIONS: All modifications to this Agreement must be in writing and signed by the parties hereto. Unless modifications, upgrades or construction of interior improvements of any kind are described on addenda or an addendum signed by both Buyer and Seller and attached to this Agreement, no such modifications, upgrades or interior improvements shall be deemed to have been agreed upon between the parties, and Buyer is not relying upon Seller to make any changes to the Property.

24. TIME: Time is of the essence of this Agreement.

25. INVALIDITY OF ANY PROVISION: Should any provision or portion hereof be declared invalid or in conflict with any law of the jurisdiction where this project is situated, the validity of all other provisions and portions hereof shall remain unaffected and in full force and effect.

26. NO WAIVER: The waiver by Seller of any term, condition or provision of this Agreement shall not be considered a waiver of any other term, condition or provision hereof.

27. DESTRUCTION OF IMPROVEMENTS: If the improvements in the Property are destroyed or materially damaged prior to close of escrow, if Seller does not repair or restore such damage within a reasonable time, not to exceed ninety (90) days from the date of such destruction or material damage, Buyer may terminate this Agreement by written notice delivered to Seller and the Escrow Holder, and all Deposits will be immediately returned; provided, however, Buyer shall not have the right to terminate this Agreement and receive back its Deposits if such destruction or damage is caused by Buyer or any of its agents, employees, contractors or other representatives. In the event that Buyer does not elect (or is not permitted) to terminate this Agreement, Buyer will be entitled to receive, in addition to the Property, at closing any insurance proceeds payable on account of the damage or destruction allocable to the Property only (less any costs incurred by Seller in restoring the Property or any improvements constructed therein). For purposes of this Paragraph 27, the improvements in the Property shall not be deemed materially damaged if the cost to repair or restore the same is less than one hundred thousand dollars (\$100,000.00).

28. BUYER'S OFFER: Buyer has read and understood the provisions contained herein and offers and agrees to purchase the Property on these terms. Buyer further understands that this Agreement initially is an offer only and will not become a binding contract until accepted by Seller, and, until executed by Seller, is subject to the possible acceptance by Seller of an offer from another buyer. Buyer grants the Broker or, if applicable, Buyer's Broker, the right for a period of five (5) days from the date hereof to obtain an acceptance of this offer by Seller.

29. GOVERNING LAW: The laws of the State of California shall govern this Agreement.

30. ENTIRE AGREEMENT: NO OTHER REPRESENTATIONS: This Agreement constitutes the sole and entire agreement between Buyer and Seller with respect to the subject matter contained herein. Buyer understands that no employee or agent of Seller has authority

to modify the terms hereof or to make any representations, warranties or inducements other than as set forth in this Agreement. No representations, warranties or inducements, express or implied, have been relied upon by Buyer except as set forth in this Agreement and in the documents described in Paragraph 8 hereof.

31. TIME. Time is of the essence in the performance of each of the parties' respective obligations contained herein.

32. ATTORNEYS' FEES. If either party hereto fails to perform any of its obligations under this Agreement or if any dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and reasonable attorneys' fees and disbursements.

33. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

34. INTERPRETATION OF AGREEMENT. The parties hereto acknowledge and agree that this Agreement has been negotiated by the parties hereto, or their respective attorneys, and that, although this Agreement has been drafted by Seller, this Agreement shall be construed or interpreted in accordance with its fair meaning. The doctrine that ambiguities in an agreement should be interpreted against the drafting party shall not be employed in connection with this Agreement.

35. REPRESENTATIONS AND WARRANTIES OF SELLER: Seller makes the following representations and warranties to Buyer, each of which is material and is being relied upon by Buyer, and the truth and accuracy of which constitute a condition precedent to Buyer's obligations hereunder:

A. This Agreement has been duly and validly authorized, executed and delivered by Seller and no other action is requisite to the valid and binding execution, delivery and performance of this Agreement by Seller, and no consents of any third party are necessary to permit the consummation by Seller of the transactions contemplated pursuant to this Agreement.

B. There are no actions, suits or proceedings pending or threatened which affect the Property, or any pending or threatened proceedings in eminent domain, which would affect the Property.

C. To Seller's knowledge, the Property is not in violation of any law or governmental regulation applicable to the Property.

D. There are no agreements affecting the right of any party with respect to possession of the Property which will affect the Property subsequent to the Closing.

E. All information and documents supplied to Buyer by Seller hereto are true, complete and correct in all material respects.

F. The improvements will be completed in accordance with the plans and

specifications therefor and in compliance with all applicable governmental laws, ordinances, rules and regulations in all material respects.

G. Seller shall deliver to Buyer true and correct copies of all site assessment reports within its possession or control with respect to the presence or absence of Hazardous Materials (as hereinafter defined) on the Property (the "Environmental Reports") within ten (10) days from acceptance of this Agreement. To the Seller's knowledge, except as disclosed in the Environmental Reports, there are no Hazardous Materials which require removal, remediation or encasement of materials or reporting to any governmental authority or which violate any federal, state or local environmental statute, regulation or ordinance. Except as disclosed in the Environmental Reports, there are no underground or other storage tanks situated on the Property and no such tanks have been removed from the Property. "Hazardous Materials" herein means any material hazardous to human health which is listed in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act, the Toxic Substances Control Act, the Safe Drinking Water Act, Hazardous Waste Control Law, Safe Drinking Water and Toxic Enforcement Act of 1986, or in the regulations adopted and publications promulgated pursuant thereto, or in any other federal, state or local environmental law, ordinance, rule or regulation.

H. Seller is not a "foreign person" within the meaning of Section 1445 et seq. of the Internal Revenue Code of 1986, as amended.

The representations and warranties of Seller in this Agreement shall survive the Close of Escrow and be true and correct on and as of the Close of Escrow as if such representations and warranties were made on and as of such date.

APPROVAL OF BUYER:

Buyer: _____,
a _____
By: _____

Its: _____
Date: _____, 200_

BUYER'S ADDRESS & TELEPHONE:

Office: _____

Phone: _____
Fax: _____
Mobile: _____

SELLER'S ACCEPTANCE:

Triad Campus IV, LLC, a California limited liability company

By: _____

Print Name: _____

Title: _____

Date: _____, 200_

EXHIBIT "A"
CONDOMINIUM PLAN

EXHIBIT "B"
UNIT DESCRIPTION
SAMPLE
[Revise for full Unit Build Out]

Base Cold Shell:

Slab poured
Exterior Walls Installed
Roof Installed

Full Cold Shell:

Utilities:

- Electricity Provided by PG&E. The electrical room, located in the southeast corner of the building, is deemed Building Common Area and will contain a 2000 amp, 277/480v 12 meter multi-meter board. Its square footage has been allocated to each of the 8 Units. Electricity usage will be billed separately to each individual owner. Overhead electrical conduit will be stubbed to each unit Supply allocations
- 200 amps @ 277/480v
 - OR
 - 300 amps @ 277/480v
- Gas Provided by PG&E, separately metered. Gas conduit will run on top of the roof and be stubbed to each unit.
- Water Provided by City. Water usage will be billed based on pro-rata share through monthly assessments. Overhead water lines will be stubbed to each unit.

SELLER TO REPLACE WITH ACTUAL EXAMPLE

Building/Unit Description

The units will be delivered with the following improvements. [Additional tenant improvements are available with a corresponding adjustment to purchase price. The following is a brief summation of the base units/building to be delivered. Building Construction Plans should be reviewed by each prospective owner for further details.

Primary Specifications:

- Clear Height: Min. 24'-0" to structural framing.
- Roof: 4-ply built up roofing with mineral cap sheet over 1/2" plywood (panelized roof system) over steel trusses.
- Slab: 6" concrete slab with #4 rebar reinforcing @ 18" on center each way.
- Exterior Walls: Pre-cast concrete panels.
- Demising Walls: 5/8" gypsum board on both sides of metal studs with R-13 insulation.
- Typical Window: 1/4" thick eclipse blue-green reflective glass set in painted aluminum frame
- Sprinkler System: 100% of building with capacity of 0.60 GPM per 3,000 sq. ft.

Electrical Room:

The electrical room is the interior common space that all owners within the project share, and is located in the southeast corner of the building. Its square footage requirements have been calculated and allocated on a pro-rata basis to each of the 8 units

Service Doors:

Overhead Sectional Doors (OHSD) are constructed of insulated metal panels and/or matching glass.

Door dimensions are as follows:

Grade-level: 12' wide x 14' high
Dock-high: 12' wide x 18' high

The dock-high entries are recessed into the building, approximately 21'10" from building exterior. The distance from building exterior to beginning of down slope is 35'.

Exclusions (not included in base deliverable):

Absent specific arrangements with Seller, the units will **not** include:

1. Phone/Fiber conduit to unit -
2. Individual electrical panels or step-down transformers
3. HVAC equipment
4. Generator
5. Demising walls other than those shared with adjacent units
6. Other tenant improvements

