

FIRST AMENDMENT TO AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY

THIS FIRST AMENDMENT TO AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY (the "Amendment") is entered into as of _____, ("Effective Date") by and between Charles Toledo and Rebecca Toledo, ("Buyer") and THE CITY OF STOCKTON, a municipal corporation, ("Seller").

RECITALS

A. On September 17, 2015, the Buyer and Seller executed an Agreement for the Purchase and Sale of Real Property ("Agreement").

B. Section 1 of the Agreement describes that certain portion of real property as consisting of approximately 1.19 acres located at 2501 Navy Drive, City of Stockton, County of San Joaquin, State of California ("Property").

C. Section 2 of the Agreement states the total purchase price to be paid by Buyer for the Property shall be the sum of FOUR HUNDRED NINETY THOUSAND DOLLARS (\$490,000). Buyer will make a deposit of TWENTY THOUSAND DOLLARS (\$20,000) in escrow within two (2) days of mutual execution of this agreement. Buyer will have a Due Diligence Period of forty-five (45) days from the Effective Date after which time the deposit will become non-refundable but applicable to the purchase price. Buyer to notify the Seller in writing prior to the expiration of the due diligence period if Buyer terminates this agreement.

D. Section 3 of the Agreement states that the Buyer agrees to perform and pay for all necessary engineering work and all other fees including any title costs associated with and necessary to prepare and record a legal description and plat map of the estimated 1.19 acre parcel of APN #163-320-01 and as shown in Exhibit "A". Buyer agrees to provide a legal description of the total area to be acquired that is acceptable to the Seller prior to the close of escrow.

E. Section 5 of the Agreement states that the Buyer agrees to allow the Seller to continue to occupy the Municipal Utilities stores building and adjoining land as shown in Exhibit "D" after the close of escrow for a period of six (6) months at no cost to the Seller. Unless written notice is given by either party prior to expiration of the Initial Term, the Initial Term shall be extended for up to six (6) months commencing on the day following the end of the Initial Term however, the extended term will allow Seller to occupy one half of the stores building with the Buyer paying for the required security divider."

F. Section 9 of the Agreement states in part that Buyer will have forty-five (45) days from the Effective Date to perform its due diligence inspections and reviews. Buyer will have 10 days from the Effect Date of the agreement to request due diligence items from Seller and Seller will have 10 days to deliver requested items in its possession.

AMENDMENT

The Agreement is hereby amended as follows:

1. The term "the easterly 120 feet, approximately 23,572 square feet of the easterly portion of the parcel owned by the City of Stockton" is inserted in place and in lieu of "approximately 1.19 acres" in Section 1 of the Agreement and is approximately shown in Attachment B as the 120 foot right of way.

2. The term "TWO HUNDRED NINETEEN THOUSAND DOLLARS (\$219,000)" is inserted in place and in lieu of "FOUR HUNDRED NINETY THOUSAND DOLLARS (\$490,000)" in Section 2 of the Agreement.

3. The term "amendment to the agreement" is inserted in place and in lieu of "agreement" in the second sentence of Section 2 of the Agreement.

4. The following term is hereby deleted from Section 2 of the Agreement:

"Buyer will have a Due Diligence Period of forty-five (45) days from the Effective Date after which time the deposit will become non-refundable but applicable to the purchase price. Buyer to notify the Seller in writing prior to the expiration of the due diligence period if Buyer terminates this agreement."

5. The following term is added to Section 2 of the Agreement:

"Buyer waives any Due Diligence Period and understands that the deposit is applicable to the purchase price at close of escrow or in the event of default by Buyer the deposit is non-refundable and considered Liquidated Damages."

6. The term "the successful processing of a lot line adjustment resulting in the recordation of new grant deeds necessary to complete this transaction prior to the close of escrow" is inserted in place and in lieu of "and necessary to prepare and record a legal description and plat map of the estimated 1.19 acre parcel of APN #163-320-01 and as shown in Exhibit "A" in Section 3 of the Agreement.

7. The following Section. 5 is hereby deleted from the Agreement:

"Buyer agrees to allow the Seller to continue to occupy the Municipal Utilities stores building and adjoining land as shown in Exhibit "D" after the close of escrow for a period of six (6) months at no cost to the Seller. Unless written notice is given by either party prior to expiration of the Initial Term, the Initial Term shall be extended for up to six (6) months commencing on the day following the end of the Initial Term however, the extended term will allow Seller to occupy one half of the stores building with the Buyer paying for the required security divider."

