

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

City of Stockton
425 North El Dorado Street
Stockton, CA 95202
Attention: City Clerk

Doc #: 2018-070424
06/26/2018 10:32:48 AM
Page: 1 of 14 Fee: \$0
Steve J. Bestolarides
San Joaquin County Recorders
Paid By: CITY OF STOCKTON



Exempt from Recording Fees
Per Government Code Sections 6103 & 27383

Space above this line for Recorder's use only.

OPTION AGREEMENT

This Option Agreement ("**Agreement**"), dated as of May 10, 2018 (the "**Effective Date**," which is the date this Agreement has been approved by the City, is entered into by and among Stocktonians Taking Action to Neutralize Drugs (STAND), a 501(c)(3) non-profit affordable housing corporation ("**Buyer**") and CITY OF STOCKTON, a California municipal corporation ("**City**"). City is sometimes referred to herein as "**Seller**."

1. Option. City hereby grants to Buyer, for the Option Term and upon the terms and conditions set forth in this Agreement, an exclusive and irrevocable right (the "**Option**") to acquire fee title to the real property located in the City of Stockton, San Joaquin County, California, as identified in Exhibit A and more particularly described in Exhibit B attached hereto and incorporated herein, together with all of City's right, title, and interest in and to any and all improvements located on such real property, and any and all easements, mineral rights, water rights, and other rights appurtenant to such real property (all such real property, improvements, easements, and rights are hereinafter collectively referred to as the "**Property**"). The approximately 1.6-acre Property consists of two (2) parcels owned by City (referred to individually herein as a "**Parcel**" and, collectively, as the "**Parcels**"), as identified in Exhibit A.

(a) Term of Option. The term of the Option ("**Option Term**") shall commence on the Effective Date and shall terminate on the second (2nd) anniversary of the Effective Date, unless extended an additional year upon mutual agreement of Buyer and City. In no case shall the Option Term exceed a total of three (3) years.

(b) Exercise of Option. If Buyer elects to exercise the Option to purchase the Parcels, Buyer shall send City written notice of exercise of the Option ("**Exercise Notice**") and identifying the Parcels by their assessor parcel numbers ("APN"). Upon such exercise, City shall be obligated to sell the Parcels identified in the Exercise Notice to Buyer, and Buyer shall be obligated to purchase such Parcels from City, in accordance with and subject to the terms set forth in this Agreement.

2. Purchase Price. The purchase price for the Parcels ("**Purchase Price**") shall be one dollar (\$1.00) provided Buyer develops the property to the economic and social benefit of the surrounding neighborhood, Buyer intends that such benefit will include a health clinic, and a combination of non-profit and/or social service office space, community meeting facilities, public gathering spaces, affordable housing, and/or retail dedicated to serving the neighborhood.

At the Closing for the purchase of the Parcels, Buyer will pay to City, the Purchase Price for the Parcel(s) less applicable prorations as set forth in this Agreement.

3. Escrow. The provisions of this Section 3 shall apply to the Closing. Within five (5) business days after Buyer's exercise of the Option as to the Parcels, Buyer will open escrow ("**Escrow**") with a title company mutually agreeable to the parties ("**Escrow Agent**" or "**Title Company**").

(a) Closing and Closing Date. Subject to satisfaction of the Conditions Precedent (defined below) for the Parcels, the purchase and sale shall occur, and Escrow shall close ("**Closing**") within 45 days of Buyer's exercise of the Option, or such other date prior to the expiration of the Option Term as agreed upon by the parties (the "**Closing Date**").

(b) Delivery of Deed and Possession. At least three (3) business days prior to the Closing Date, City shall execute and deliver to Escrow Agent grant deeds for the Parcels Buyer using the Title Company's standard form of grant deed. Upon the Closing, the grant deed(s) shall be recorded in the official records of San Joaquin County, and City shall deliver to Buyer exclusive possession of the acquired Parcels, free and clear of all leases, tenancies, encumbrances, liens, and title exceptions other than those approved by Buyer.

(c) Deposit of Funds. On or before the Closing Date, Buyer will deliver to Escrow Agent the Purchase Price for the Parcels and Buyer's share of charges pursuant to Paragraphs 3(e) and 3(f). On or before the Closing Date, City will deliver to Escrow Agent, City's share of charges pursuant to Paragraph 3(f).

(d) Supplemental Escrow Instructions. Escrow Agent shall close Escrow for the Parcels in accordance with supplemental escrow instructions mutually acceptable to Buyer and City, which instructions shall be consistent with this Agreement.

(e) Closing Costs. For each Parcel, Buyer shall pay one hundred percent (100%) of all escrow charges, recording fees, transfer taxes, documentary transfer taxes, and premiums for Buyer's Title Policy (as defined in Section 4 below) for each Parcel. Buyer shall pay the cost of any survey required in connection with the issuance of the Title Policy.

(f) Prorations. All real estate taxes, assessments, and utility charges relating to the Parcels shall be prorated between City and Buyer as of the Closing, and shall be debited from or credited to cash payable by Buyer at the Closing.

4. Title. For each Parcel, Buyer will obtain a preliminary title report ("**Preliminary Report**") from Title Company, and will review the Preliminary Report and title matters. By not later than 20 days prior to the Closing Date for each Parcel, Buyer shall provide written notice to Seller specifying which, if any, title exceptions affecting such Parcels that Buyer approves (the "**Permitted Exceptions**"). Title Company's commitment to issue to Buyer an ALTA owner's policy of title insurance in the amount of the applicable Purchase Price, insuring Buyer's fee interest in the Parcel(s) subject only to the Permitted Exceptions ("**Title Policy**") shall be a condition to Closing for such Parcel(s).

5. Feasibility Investigations. Prior to the expiration of the Option Term, Buyer shall have the right to enter onto the Property to conduct any inspections and tests that Buyer deems necessary, including, without limitation, Phase I and Phase II environmental evaluations ("Phase II"), soils tests, surveys, engineering studies, environmental studies, and other evaluations as Buyer deems necessary in Buyer's discretion. Prior to entry upon the Property, Buyer shall provide notice to City regarding the nature of the tests to be performed, the entity that will perform the tests, and the time and date of the testing. Buyer will execute a Right of Entry Agreement in form reasonably acceptable to Seller, pursuant to which Buyer will provide proof of insurance acceptable to the Seller and indemnify, Seller from and against any claims, expenses, and liabilities that arise from Buyer's and Buyer's employees, contractors, or agents entry onto the Property, except to the extent any such claims, expenses, or liabilities result from the sole or active negligence of Seller or Seller's employees, contractors, or agents, or result from the mere discovery of hazardous materials or other conditions in, on, under, or about the Property.

6. AS-IS Condition; Demolition; Relocation. Buyer's acquisition of the Parcels pursuant to this Agreement shall be on an AS-IS basis. Following the Closing Date for the Parcels, Buyer shall have the right to demolish the improvements, if any, located thereon at Buyer's sole expense and in compliance with all applicable laws and regulations. Buyer shall have no obligation to pay relocation benefits, assistance, and/or payments of any kind to, or on behalf of, any person or entity occupying the Property or part thereof, it being understood that Seller shall have the sole responsibility for payment of any such benefits, assistance, and/or payments that may be required under the Federal Uniform Relocation Assistance and Real Property Acquisition Act of 1970 (Public Law 91-646) or California Government Code Section 7260 et seq.

7. Conditions Precedent to Buyer's Obligations. Following Buyer's exercise of the Option with respect to the Parcels, Buyer's obligation to purchase such Parcels is subject to satisfaction of all of the following conditions precedent ("**Conditions Precedent**"):

(a) The Title Company's irrevocable commitment to issue the Title Policy to Buyer for each Parcel;

(b) No adverse change to the physical or entitlement status of the Parcels shall have occurred between the date of Buyer's exercise of the Option and the Closing Date; and

(c) Seller's performance of its obligations under this Agreement, and the continued truth and accuracy of Seller's representations and warranties set forth in this Agreement.

8. Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer as of the Effective Date and as of the Closing Date for each Parcel:

(a) Prior to the Closing Date, City has delivered true and complete copies of all Due Diligence Information with respect to the Parcels. "**Due Diligence Information**" means all material information relating to the Parcels (including, without limitation, title information, surveys, environmental reports, engineering studies, legal notices, permits, and approvals), which information is in City's possession or under City's control.

(b) This Agreement and all documents delivered by City to Buyer, now or at the Closing, have been freely negotiated by City, and City is not under any duress or compulsion, and has entered into this Agreement as a considered business decision that City has each determined to be in its best interest.

(c) This Agreement and all documents delivered by City to Buyer, now or at the Closing, have been, or shall be, duly authorized and executed and delivered by City, are legal, valid, and binding obligations of City, and do not violate any agreement to which City is a party or any order by which City is bound.

(d) There are no lawsuits, claims, suits, proceedings, or investigations, pending or threatened, affecting or relating to the Property or part thereof, or affecting the legality or propriety of the transactions contemplated by this Agreement.

(e) Seller has not alienated, encumbered, transferred, optioned, leased, assigned, transferred, or otherwise conveyed its interest or any portion of its interest in the Property or any portion thereof, nor has Seller entered into any agreement (other than this Agreement) to do so.

(f) There are no encroachments, conflicts in boundary lines, or ownership interests claimed by any person affecting the Property or any portion thereof except as disclosed in writing to Buyer.

(g) The Property is free and clear of all leases, tenancies, and occupancies.

(h) Seller has not dealt with any real estate broker or finder, or incurred any liability for any commission or fee to any real estate broker or finder, in connection with this Agreement or the sale of the Property to Buyer.

(i) Prior to the Closing Date, any and all other third parties whose approval of the sale of the Parcels is required to be obtained by City, have approved this Agreement and each of the transactions provided herein.

9. Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller as of the Effective Date and as of the Closing Date for the Parcels:

(a) Buyer is a 501(c)(3) non-profit affordable housing corporation, duly organized and validly existing under the laws of the State of California. Buyer has full power and authority to enter into this Agreement and to perform its obligations under this Agreement. The execution, delivery, and performance of this Agreement and all documents required hereunder by Buyer have been duly and validly authorized by all necessary action on the part of Buyer, and all required consents and approvals have been duly obtained, and do not violate any agreement to which Buyer is a party, or any order by which Buyer is bound.

(b) Buyer has not dealt with any real estate broker or finder, or incurred any liability for any commission or fee to any real estate broker or finder, in connection with this Agreement or the sale of the Property to Buyer.

(c) Buyer agrees to develop the subject Parcels for the economic and social benefit of the surrounding neighborhood. Buyer intends that such benefit will include a health clinic, as well as a combination of non-profit and/or social service office space, community meeting facilities, public gathering spaces, affordable housing, and/or retail dedicated to serving the neighborhood. The obligations of Buyer under this Section 9(c), shall survive the Closing and continue in effect until the date which is ten (10) years following the applicable Closing Date for sale of the Parcel(s).

10. Seller's Covenants. Seller covenants and agrees with Buyer as follows:

(a) Between the Effective Date and the Closing Date for sale of the Parcels, City shall maintain the Parcels and the improvements thereon, if any, in accordance with sound property management practice, comply in all material respects with all covenants, conditions, restrictions, laws, statutes, rules, regulations, and ordinances applicable to the Property, and immediately give Buyer copies of all notices received by Seller asserting any violation of any covenants, conditions, restrictions, laws, statutes, rules, regulations, or ordinances applicable to the Property.

(b) Seller shall not use, produce, process, manufacture, generate, treat, handle, store, or dispose of any hazardous substances in, on, or under the Property, or use the Property for any such purposes, or release any hazardous substances into any air, soil, surface water, or groundwater comprising the Property, or permit any person using or occupying the Property or any part thereof to do any of the foregoing, provided, however, Seller may use, handle, and store hazardous substances of types and in quantities typically used in or around residential and commercial properties in accordance with all applicable laws. Between the Effective Date and the expiration of the Option Term, Seller shall comply, and shall use reasonable efforts to cause all persons using or occupying the Property or any part thereof to comply, with all environmental laws applicable to the Property, or the use or occupancy thereof, or any operations or activities therein or thereon.

(c) Between the date of this Agreement and the expiration of the Option Term, Seller shall not in any manner sell, convey, assign, transfer, encumber, or otherwise dispose of the Property or any part thereof or interest therein; provided, however, may remove any tangible personal property. Without limiting the foregoing, Seller shall not enter into any agreement or alter the condition of title to the Property if the same would affect the Property or Buyer after the Closing for the applicable Parcels without Buyer's prior consent. If Buyer so consents, such encumbrance shall become Permitted Exceptions (as provided in Section 4).

(d) Seller has provided, or within five (5) business days following the Effective Date, shall provide to Buyer all surveys, studies, reports and analyses applicable to the Property or part thereof in Seller's possession or control.

11. Entitlements. Buyer may process any entitlements that Buyer deems necessary or appropriate for its proposed development of the Property or part thereof. Seller shall fully cooperate with Buyer in the processing of all entitlements sought by Buyer, including signing any and all applications Buyer may request within five (5) business days after Seller receives the request.

12. Allocation of Environmental Liabilities. The parties agree that the Purchase Price for each Parcel is based on an assumption that there are no adverse environmental conditions on the Property or any part thereof. Seller will commission a **Phase II** environmental analysis to determine if any adverse environmental conditions exist on the Parcels.

- (a) Seller's expenses incurred for conducting the Phase II analysis of the Parcels shall be reimbursed by Buyer in the amount invoiced, up to \$47,000. Such reimbursement shall be payable from Buyer to Seller upon the close of escrow of subject Parcels.
- (b) Seller and Buyer acknowledge that possible contamination exists on the subject Parcels. The Seller and Buyer, negotiating in good faith, agree that contamination remediation investigation and costs of clean-up may be paid for by Buyer from funds generated through encumbering the property for that purpose, subject to such reasonable restrictions as Seller may require. The actual amount of the encumbrance necessary for remediation costs must be approved in advance by the Seller.

13. LIQUIDATED DAMAGES. IF THE PURCHASE AND SALE OF THE PARCELS DOES NOT OCCUR AS REQUIRED BY THIS AGREEMENT AFTER BUYER EXERCISES ITS OPTION SOLELY AS A RESULT OF BUYER'S DEFAULT, SELLER'S DAMAGES INCURRED BY REASON THEREOF ARE AND WILL BE EXTREMELY DIFFICULT AND IMPRACTICAL TO ASCERTAIN. IN A REASONABLE EFFORT TO ASCERTAIN WHAT SELLER'S DAMAGES WOULD BE IN THE EVENT OF BUYER'S BREACH OR DEFAULT, SELLER AND BUYER AGREE THAT AN AMOUNT EQUAL TO THE SUM OF THE OPTION FEES (NOT TO EXCEED \$5.00) THAT WOULD OTHERWISE BE CREDITED TO THE PURCHASE PRICE FOR THE APPLICABLE PARCEL(S) SHALL BE LIQUIDATED DAMAGES (THE "LIQUIDATED DAMAGES") FOR SUCH DEFAULT, WHICH LIQUIDATED DAMAGES SHALL BE SELLER'S SOLE REMEDY AT LAW OR IN EQUITY IN THE EVENT OF AND FOR SUCH DEFAULT. SELLER WAIVES ANY AND ALL RIGHTS TO SEEK OTHER RIGHTS OR REMEDIES AGAINST BUYER, INCLUDING WITHOUT LIMITATION, THE RIGHTS AND REMEDIES SET FORTH IN CALIFORNIA CIVIL CODE SECTION 3389 TO A REMEDY OF SPECIFIC PERFORMANCE. THE PAYMENT AND RETENTION OF THE LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. CITY AND AUTHORITY MAY ALLOCATE BETWEEN THEM AS THEY MAY AGREE ANY LIQUIDATED DAMAGES RETAINED BY SELLER UNDER THIS SECTION.

Sm (Seller's Initials) FS (Buyer's Initials)

14. Notices. Any notice or communication required hereunder between Seller and Buyer ("Notice") must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express or other similar courier promising overnight delivery. If personally delivered, a Notice shall be deemed to have been given when delivered to the party to whom it is addressed. If given by registered or certified mail, Notice shall be deemed to have been given and received on the first to occur of (i) actual receipt

by any of the addressees designated below as the party to whom Notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such Notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a Notice shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any party hereto may at any time, by giving ten (10) days written Notice to the other party hereto, designate any other address in substitution of the address to which such Notice shall be given. Such Notices shall be given to the parties at their respective addresses set forth below:

Seller: City of Stockton
Attn: City Clerk
425 N. El Dorado St.
Stockton, CA 95202
209-937-8458

City of Stockton
Attn: Economic Development Director
425 N. El Dorado St.
Stockton, CA 95202
209-937-8539

Buyer: STAND
Attn: Fred Sheil, Administrator
1209 E. Eighth St.
Stockton, CA 95206
209-937-7625

15. Attorneys' Fees. If an action is brought to enforce the rights of a party under this Agreement, the prevailing party shall be entitled to recover its costs of enforcement, including reasonable attorneys' fees and court costs.

16. Binding Agreement. This Agreement supersedes all prior and contemporaneous discussions, agreements, and understandings between Seller and Buyer with respect to the subject matter of this Agreement, and constitutes the entire agreement between Seller and Buyer with respect thereto.

17. Amendments. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

18. Seller Option to Repurchase, Reenter, and Repossess. Subject to the notice and reasonable opportunity to cure, City shall have the additional right, at its option, to repurchase, reenter, and take possession of the Parcels at the original purchase price paid by Buyer of \$1.00, if:

(a) Buyer fails to obtain a building permit(s) to construct a development project or portion thereof on the subject Parcels by the date which is five (5) years following conveyance of title to such Parcels to Buyer; or

(b) After obtaining a building permit(s) for construction of such development project or portion thereof, Buyer fails to commence construction thereof within 6 months after obtaining such permit(s).

Such right to repurchase, reenter, and repossess, to the extent provided in this Agreement, shall not be subordinate and subject to and be limited by any mortgage, deed of trust, or other security instrument recorded against such Parcel(s) unless Seller and Buyer, negotiating in good faith, determine that to accomplish the uses of the Parcel(s) that the Buyer intends, it is in their mutual interest to allow encumbering the property for the limited purposes of contamination remediation and/or development costs. Such consent shall be provided in writing by the Seller.

To exercise its right to repurchase, reenter, and take possession with respect to the Parcels in question, City shall pay to Buyer in cash an amount equal to the Purchase Price of \$1.00 paid by Buyer for the Parcel(s) in question

In order to exercise such purchase option, City shall give Buyer written notice of such exercise. City, within 30 days thereafter, shall pay to Buyer in cash all sums owing pursuant to this Section 18, and Buyer shall thereupon execute and deliver to City a grant deed transferring to City all of Buyer's interest in the Parcels.

Seller's rights under this Section 18 shall automatically terminate upon the commencement of construction of said project that provides economic and social benefit to the surrounding neighborhood, such benefit will include a health clinic, as well as a combination of non-profit and/or social service office space, community meeting facilities, public gathering spaces, affordable housing, and/or retail dedicated to serving the neighborhood. Upon Buyer's request made at any time following the commencement of construction reasonably designed to accomplish the economic and social benefits described herein, Seller shall execute, acknowledge, and deliver to Buyer for recordation in the Official Records, an instrument memorializing termination of Seller's option to repurchase, reenter, and repossess.

19. Buyer Remedies. Subject to the notice and reasonable opportunity to cure not to exceed 30 calendar days, upon the occurrence of a default by City, Buyer shall have the right, in addition to any other rights or remedies, to institute any action at law or in equity to cure, correct, prevent, or remedy any such default, or to recover actual damages. Notwithstanding any other provisions of this Agreement to the contrary, Buyer shall not be entitled to recover any consequential, special, or punitive damages against Seller.

20. Assignment by Buyer. This Agreement may not be assigned by Buyer to any person or entity without Seller's consent, which may be granted or denied in Seller's sole discretion.

21. Governing Law; Venue. This Agreement shall be governed and construed in accordance with the laws of the State of California, without reference to its choice of law rules. The exclusive venue for any disputes or legal actions shall be the Superior Court of California in and for the County of San Joaquin, except for actions that include claims in which the Federal District Court for the Eastern District of the State of California has original jurisdiction, in which case the Eastern District of the State of California shall be the proper venue.

22. Waivers. No waiver of any provision of this Agreement or any breach of this Agreement shall be effective unless such waiver is in writing and signed by the waiving party, and any such waiver shall not be deemed a waiver of any other provision of this Agreement or any other or subsequent breach of this Agreement.

23. Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators, and assigns.

24. Severability. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the parties.

25. Construction. Section headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, or conditions of this Agreement. This Agreement has been reviewed and revised by legal counsel for Seller and Buyer, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement. Unless the context clearly requires otherwise: (i) the plural and singular numbers shall each be deemed to include the other; (ii) the masculine, feminine, and neuter genders shall each be deemed to include the others; (iii) "shall," "will," or "agrees" are mandatory, and "may" is permissive; (iv) "or" is not exclusive; (v) "include," "includes" and "including" are not limiting and shall be construed as if followed by the words "without limitation," and (vi) "days" means calendar days unless specifically provided otherwise.

26. No Joint Venture. Seller and Buyer hereby renounce the existence of any form of agency relationship, joint venture or partnership between City and Buyer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between Seller and Buyer.

27. Survival of Terms. Any indemnity provided for herein, and any other provision of this Agreement which, by its terms, is to be performed after the Closing, shall survive the Closing until full performance thereof. The representations, warranties, covenants, terms, and conditions of this Agreement shall also survive the Closing.

28. Time. Time is of the essence of this Agreement and of the performance of all the terms, covenants, and conditions contained in this Agreement.

29. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one agreement.

30. Seller Approvals and Actions. Whenever a reference is made herein to an action or approval to be undertaken by Seller, the City Manager or his/her designee is authorized to act on behalf of Seller, unless specifically provided otherwise or the context requires otherwise.


31. Recording. This Agreement shall be recorded in the Official Records of San Joaquin County within ten (10) days following the Effective Date.

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the Effective Date.

SELLER:

CITY OF STOCKTON, a municipal corporation

By: 

 Kurt O. Wilson, City Manager

BUYER:

Stocktonians Taking Action to Neutralize Drugs (STAND), a 501(c)(3) non-profit corporation

By: 

Fred Sheil, Administrator


APPROVED AS TO FORM AND CONTENT:

John M. Luebberke
City Attorney

By: 

ATTEST:

By: 

 Bret Hunter, City Clerk



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Joaquin)

On June 19, 2018 before me, Karen A. Costa, Notary Public
(insert name and title of the officer)

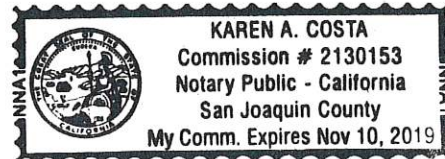
personally appeared Laurie Montes,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~-
subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in
~~his~~/her/~~their~~ authorized capacity(ies), and that by ~~his~~/her/~~their~~ signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature

(Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF San Joaquin

On May 10, 2018 before me, J. Gibson (Notary Public),
(insert name and title of the officer)

personally appeared Frederick James Sheil,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the
instrument.

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

WITNESS my hand and official seal.

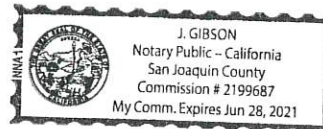
Signature J. Gibson (Seal)

Exhibit A**Property/Parcels**

Property Address	APN	Purchase Price
2222 S. Airport Way	169-163-01	\$1.00 for both Parcels
2244 S. Airport Way	169-151-01	

Exhibit B

PARCEL LEGAL DESCRIPTIONS

The land referred to is situated in the County of San Joaquin, City of Stockton, State of California, and is described as follows:

PARCEL ONE:

LOT A as shown upon Map entitled, Seven Oaks, Unit No. 1, filed for record June 13, 1946, in Volume 11 of Maps and Plats, Page 105, San Joaquin County Records.
Assessor's Parcel Number: 169-151-01

PARCEL TWO:

LOT B, Tract No. 117, Parkview Terrace, according to the Official Map or Plat thereof, filed for record June 20, 1946, in Volume 11 of Maps and Plats, Page 108, San Joaquin County Records.
Assessor's Parcel Number: 169-163-01