

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

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (the "**Agreement**"), is dated as of _____, 2021 ("**Effective Date**") and is entered into by and between the CITY OF FAIRFIELD ("**Buyer**") and LBM PARTNERSHIP, a California limited partnership ("**Seller**").

RECITALS

A. Seller is the owner of the land described on Exhibit "A" attached hereto (the "**Property**"), which is a portion of Assessor Parcel Number 0170-032-300 and is located on Peabody Road Fairfield, CA.

B. The parties intend that Buyer complete a lot line adjustment as a condition to the sale of the Property.

C. Buyer wishes to acquire the Property, and Seller is willing to sell the Property to Buyer, upon and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

The following capitalized terms as used in this Agreement shall have the respective meanings set forth below:

Section 1.1 Approval Notice means a written notice provided by the Buyer to Escrow Holder stating that Buyer approves any documents provided by Seller to Buyer pertaining to the property, and the Property's physical condition, title, zoning and suitability for development.

Section 1.2 Escrow Holder shall mean Placer Title Company located at 1300 Oliver Road, Suite 120, Fairfield, CA 94534, Attn: Kelly Guglielmo (707/429-2211).

Section 1.3 Grant Deed shall mean a grant deed in the form attached hereto as Exhibit "B".

Section 1.4 Investigation Period means a period of one hundred eighty (180) days after the date of this Agreement for the Buyer to conduct an investigation of the Property's title and physical condition and suitability as provided in Section 2.7.

Section 1.5 Title Company shall mean Escrow Holder.

ARTICLE 2. PURCHASE AND SALE OF PROPERTY; PURCHASE PRICE; CHARITABLE DONATION.

Section 2.1 Purchase Price. The Seller hereby agrees to sell the Property to Buyer, and Buyer hereby agrees to buy the Property, for the estimated sum of One Million Four

Hundred and Four Thousand Two Hundred Eighty Dollars (\$1,404,280.00), with the final amount to be based on a value of Ten Dollars (\$10.00) per square foot of the net land area as set forth below (the **"Purchase Price"**); however, Seller shall donate Two Dollar (\$2.00) per square foot of net land area (determined as set forth below) to Buyer as a charitable donation (the **"Charitable Donation"**).

(a) The parties acknowledge that the City of Fairfield is a tax-exempt political subdivision that should be eligible to receive tax-deductible contributions under Section 170(c)(1) of the Internal Revenue Code.

(b) The term "net land area" shall be determined by a survey obtained by Buyer at Buyer's expense, and Seller shall have the right to reasonably approve the determination.

Determination of the net land areas Purchase Price amount and Charitable Donation amount shall be conditions to the Close of Escrow.

(b) The City of Fairfield shall execute Part IV of Section B of the Internal Revenue Service Form 8283, as completed by the Seller and signed by the appraiser with respect to the charitable donation contemplated by this transaction, and deliver such form through escrow to the Seller at Close of Escrow to allow the Seller to file the form with Seller's 2021 tax return. The City makes no representations or warranties regarding the content or conclusions of the Form 8283, any appraisal(s), or the amount of the charitable contribution ultimately claimed by the Seller, and the Seller acknowledges that it alone bears the risk of the IRS potentially disallowing or discounting the amount of the claimed charitable contribution. The City shall have no obligation to bear any costs or liability for any expense, penalties, interest or other costs or expenses of defending or asserting the Seller's claim for a deduction on its income taxes for such charitable donation.

Section 2.1 Escrow.

Section 2.1.1 Opening of Escrow. Within five (5) business days after the Effective Date, the Buyer and the Seller shall deliver a copy of this executed Agreement to Escrow Holder and will open an escrow (the **"Escrow"**) with the Escrow Holder for the transfer of the Property to the Buyer. Buyer will deposit in escrow the sum of Twenty Five Thousand Dollars (\$25,000.00) ("Deposit"), which Deposit shall remain refundable to the Buyer until the end of the Inspection Period, at which time the Deposit will become non-refundable if all conditions to closing have been satisfied and Seller is not in default, but shall be immediately returned to the Buyer if Buyer terminates this Agreement based on a default by Seller or based on the failure of any condition to the closing to be satisfied.

THE DEPOSIT SHALL CONSTITUTE SELLER'S SOLE AND EXCLUSIVE REMEDY, AND LIQUIDATED DAMAGES FROM BUYER TO SELLER, IF BUYER DEFAULTS IN ITS OBLIGATIONS HEREUNDER TO ACQUIRE THE PROPERTY FROM SELLER ON THE TERMS HEREOF, AND DOES NOT CURE THE DEFAULT WITHIN TEN (10) DAYS AFTER WRITTEN NOTICE FROM SELLER.

SELLER'S INITIALS: _____

BUYER'S INITIALS: _____

Section 2.1.2 Close of Escrow. “**Close of Escrow**” or “**Closing**” means the date Escrow Holder causes the Grant Deed to be recorded in the Official Records of the County of Solano. Close of Escrow shall occur on or before the date that is sixty (60) days after the earlier of (i) the end of the Investigation Period; or (ii) Buyer’s delivery to Seller of an Approval Notice (the “**Outside Date**”). If for any reason other than a default by the Seller or Buyer the Closing does not occur on or before the Outside Date, this Agreement shall automatically terminate, unless extended in writing by both parties (the “**Parties**”), and all documents and monies previously deposited into the Escrow shall be promptly returned to the appropriate Party and each Party shall pay one-half (1/2) of any Escrow charges and fees in connection with such termination. If the Closing does not occur due to a default by a Party, that Party shall pay all escrow and title cancellation changes.

Section 2.2 Conditions of Buyer’s Obligations. The following are conditions precedent (collectively, “**Buyer’s Contingencies**”) to the Close of Escrow and Buyer’s obligation to purchase the Property, which contingencies may be waived in writing in whole or in part by Buyer, at or prior to the time prescribed herein for approval or disapproval, as the case may be:

(i) At the closing, the issuance of the Title Policy (defined in Section 2.3 below) to Buyer, which will insure Buyer’s fee simple interest in the Property in the amount of the Purchase Price and in form and substance and with endorsements reasonably required and satisfactory to the Buyer;

(ii) Buyer’s completion of a lot line adjustment such that the Property is a separate subdivided parcel;

(iii) As of the closing, the absence of a default by Seller hereunder.

Section 2.3 Title. Seller shall promptly obtain from Title Company and deliver (or cause Title Company to deliver) by email to Buyer at rpanganiban@fairfield.ca.gov a current preliminary title report for the Property from the Title Company with hyperlinks to all documents listed as title exceptions therein. If Buyer objects to any title matters, Buyer may terminate this Agreement by written notice to Seller given prior to the end of the Investigation Period, in which event the Deposit shall be returned to Buyer and all rights, obligations and liabilities of Seller and Buyer under and pursuant to this Agreement shall terminate (except for obligations or liabilities under this Agreement that expressly survive the termination of this Agreement).

Escrow Holder shall provide Buyer with a Standard Coverage Policy of Title Insurance (or, at the election and cost of Buyer, extended coverage) in the amount of the Purchase Price, issued by the Title Company, showing the title to the Property vested in Buyer, subject only to title exceptions approved by Buyer (the “**Title Policy**”). Notwithstanding the above, title to the Property shall be free of deeds of trust and other liens at the Close of Escrow except for the lien of assessments (prorated as of the Close of Escrow), and any liens created by Buyer.

Section 2.4 Deposit of Documents and Funds In Escrow. Seller and Buyer, as applicable, hereby covenant and agree to deliver at least one (1) day prior to the Close of Escrow

the following instruments, documents, and funds, the delivery of each of which shall be a condition of the applicable Close of Escrow.

Section 2.4.1 Seller shall deliver to Escrow:

- (i) an original of the Grant Deed, duly executed by Seller and acknowledged;
- (ii) a FIRPTA affidavit and a California form 593 (confirming no withholding is required), and;
- (iv) such proof of Seller's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy, including Title Company's standard owner's affidavit.

Section 2.4.2 Buyer shall deliver to Escrow:

- (i) the Purchase Price, less the Deposit and Charitable Donation;
- (ii) the Form 8283 (with Section IV of Section B completed/signed);
- (iii) a Certificate of Acceptance in the form attached to the form of Grant Deed (Exhibit "B"), executed and acknowledged; and
- (iv) any other reasonable documents as the Title Company may reasonably require to issue the Title Policy.

Section 2.5 Authorization to Record Documents and Disburse Funds. Escrow Holder shall record the Grant Deed (with Certificate of Acceptance), and disburse the funds (less applicable costs to Seller), deliver the FIRPTA affidavit and California form 593 to Buyer, and deliver the Form 8283 to Seller provided each of the following conditions has then been fulfilled:

Section 2.5.1 The Title Company is irrevocably committed to issue in favor of Buyer the Title Policy, with a liability amount equal to the Purchase Price, showing fee simple title to the Property vested in Buyer, showing the Property as a separate subdivided parcel pursuant to the lot line adjustment, subject only to the applicable title exceptions approved by Buyer in accordance with Section 2.3;

Section 2.5.2 Escrow Holder shall have received Seller's and Buyer's authorization to close upon the terms and conditions herein, which authorization shall not be unreasonably withheld, conditioned or delayed; and

Section 2.5.3 Seller and Buyer shall have deposited in Escrow the documents and funds required to be deposited in Escrow pursuant to Section 2.5.1 and Section 2.5.2.

Unless otherwise instructed in writing, Escrow Holder is authorized to record at the Close of Escrow any instrument delivered to Escrow Holder if necessary or proper for the issuance of the Title Policy.

Section 2.6 Escrow Charges and Prorations.

Section 2.6.1 Each party shall pay for fifty percent (50%) of the escrow fees. Seller shall pay recording fees, transfer taxes and CLTA owner's title policy costs. Buyer shall pay for any extra costs for an American Land Title Association ("ALTA") owner's extended coverage title policy and the cost of any endorsements.

Section 2.6.2 Assessments shall be apportioned with respect to the Property as of 12:01 a.m., on the day on which the Close of Escrow occurs, as if Buyer were vested with title during the entire day upon which the Close of Escrow occurs. The parties acknowledge that Buyer is exempt from property taxes and no property taxes shall be allocated to Buyer or appear as exceptions in the Title Policy.

Section 2.7 Documents and Physical Condition. Within ten (10) days after the date of this Agreement, Seller shall: (i) provide to Buyer copies of all material documents, reports, and correspondence in the Seller's possession or control that relate to the Property; and (ii) disclose to Buyer in writing all other material facts relating to the Property that are known to Seller. Buyer may inspect such documents and written disclosures and the physical condition of the Property during the Investigation Period. Buyer shall have the right to terminate this Agreement at any time prior to the end of the Investigation Period by delivering to Seller written notice of Buyer's election to terminate this Agreement based on any such documents or disclosures, or the condition of the Property. Buyer shall indemnify, defend and hold Seller harmless from and against any claims, liabilities, costs and expenses resulting from Buyer's entry upon or conducting of any tests of the Property. If this Agreement is terminated or if escrow fails to close for any reason other than a default by Seller, Buyer shall promptly restore the Property to substantially the same condition as existed prior to Buyer's undertaking of any testing thereon. All studies and reports prepared in connection with Buyer's inspection of the Property are to be done at the expense of Buyer, but if the closing fails to occur through no fault of Seller, Buyer shall provide Seller with a copy of all of the reports without cost (and without representation or warranty). Buyer's obligations and duties hereunder shall survive and remain upon the completion of the closing or upon the termination of this Agreement for any reason.

Section 2.8 "AS-IS" Condition of the Property. Subject to Section 2.7 above, Buyer accepts the Property in its "AS-IS" condition, with all faults, and without representation or warranty, express or implied.

Section 2.9 Brokers' Commissions. Buyer represents and warrants to Seller that Buyer has used no broker, agent, finder or other person in connection with the transaction contemplated hereby to whom a brokerage or other commission or fee may be payable. Seller represents and warrants to Buyer that Seller has used no broker, agent, finder or other person in connection with the transaction contemplated hereby to whom a brokerage or other commission or fee may be payable. Each party indemnifies and agrees to defend and hold the other harmless from any claims, liabilities, costs, expenses and damages resulting from any breach by the indemnifying party of the warranties or representations in this Section.

Section 2.10 Buyer shall have One Hundred Eighty (180) days from the date of this Agreement to perform any studies, or investigate any issues that may affect the Property,

including, but not limited to: zoning, hazardous waste, environmental, including without limitation a Phase 1 environmental review, physical plant, appraisal, title, at their sole cost and discretion, to satisfy themselves as to the price, title and suitability of the Property. During this Due Diligence Review time Buyer shall prepare all maps required to complete a Lot Line Adjustment on behalf of the Seller, which shall be recorded at the Close of Escrow. Buyer and Seller shall also discuss the existing water connection/meter impacting the overall site, including the existing Seller owned facility. Buyer to install a fence that matches the current fence on the property line on the new property line within ninety (90) days of Close of Escrow).

ARTICLE 3. GENERAL PROVISIONS

Section 3.1 Construction. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.

Section 3.2 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words "person" and "party" include corporation, partnership, firm, trust, or association where the context so requires.

Section 3.3 Time of the Essence. Time is of the essence of this Agreement and all Parties' obligations hereunder.

Section 3.4 Notices. Notices, demands and communications between the Seller and the Buyer shall be deemed sufficiently given if addresses as set forth below and (i) sent by certified mail, postage prepaid, return receipt requested, or (ii) sent by nationally-recognized reputable overnight delivery service. Such written notices, demands and communications may be sent in the same manner to such other addresses or to such other address as any Party may from time to time designate by mail as provided in this Section, and shall be deemed received upon delivery or refusal of delivery, as shown on the return receipt, if mailed, or one (1) business day after deposit of same with a nationally recognized reputable overnight delivery service for overnight delivery if sent by such a delivery service.

To the Seller: LBM Partnership, a California limited partnership
2455 Huntington Drive
Fairfield, CA 94533
Attn: Vincent Maestri

To the Buyer: City of Fairfield
1000 Webster St., 2nd Floor
Fairfield, California 94533
Attn: City Manager

Section 3.5 Attorneys' Fees. If any Party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing Party in any such action shall be entitled to its reasonable attorneys' fees to be paid by the losing Party as fixed by the court.

Section 3.6 Authority of City Manager. The City Manager of Buyer is authorized to give all consents and approvals and sign all documents contemplated hereunder on behalf of Seller provided they are in writing, and may extend deadlines such as but not limited to the Outside Date, for up to sixty (60) days, and may enter into other non-substantial amendments provided the extensions and amendments are express and in writing.

Section 3.7 Venue. In the event of any litigation hereunder, all such actions shall be instituted in the Superior Court of the County of Solano, State of California, or in an appropriate municipal court in the County of Solano, State of California or an appropriate District Court in the Northern District of California.

Section 3.8 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

Section 3.9 No Right to Assign. Neither party may assign this Agreement without the prior written consent of the other.

Section 3.10 Successors and Assigns. Subject to the restrictions on transfers set forth in this Agreement, the provisions hereof shall be binding upon, and shall inure to the benefit of, the Seller and the Buyer and their successors and assigns.

Section 3.11 No Joint Venture. Nothing contained herein shall be construed to render the Seller in any way or for any purpose a partner, joint venture, or associated in any relationship with the Buyer, nor shall this Agreement be construed to authorize either party to act as agent for the other.

Section 3.12 Waiver. The waiver by the Seller or the Buyer of any breach by the other party of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. Either party's acceptance of any performance by the other party after the due date of such performance shall not be deemed to be a waiver by either party of any preceding breach by the other party of any term, covenant, or condition of this Agreement, regardless of such party's knowledge of such preceding breach at the time of acceptance of such performance.

Section 3.13 Entire Agreement, Waivers and Amendments. This Agreement, together with all attachments and exhibits hereto and all documents to be executed and delivered pursuant to this Agreement, constitutes the entire understanding and agreement of the Parties hereto. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof. Any waiver, amendment, or modification of any provision of this Agreement must be in writing and signed by both parties.

Section 3.14 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one and the same instrument.

Section 3.15 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

Section 3.16 Tax Deferred Exchange by Seller. If Seller desires to effectuate a tax deferred exchange, Buyer shall cooperate in good faith therewith provided it does not extend the Close of Escrow, or require Buyer to make any representations or warranties or incur any liabilities or costs. Buyer acknowledges that if Seller had not agreed to convey the Property to Buyer in a negotiated purchase and sale transaction, Buyer's staff would have recommended to Buyer that Buyer consider adopting a resolution of necessity to acquire the Property by condemnation.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first above written.

BUYER:

CITY OF FAIRFIELD

By: _____

Print Name: _____
City Manager

SELLER:

LBM PARTNERSHIP,
a California limited partnership

By: Vincent R. Maestri

Print Name: Vincent R. Maestri
General Partner

ATTEST:

By: _____

City Clerk

APPROVED AS TO FORM:

By: _____

Gregory Stepanicich, City Attorney

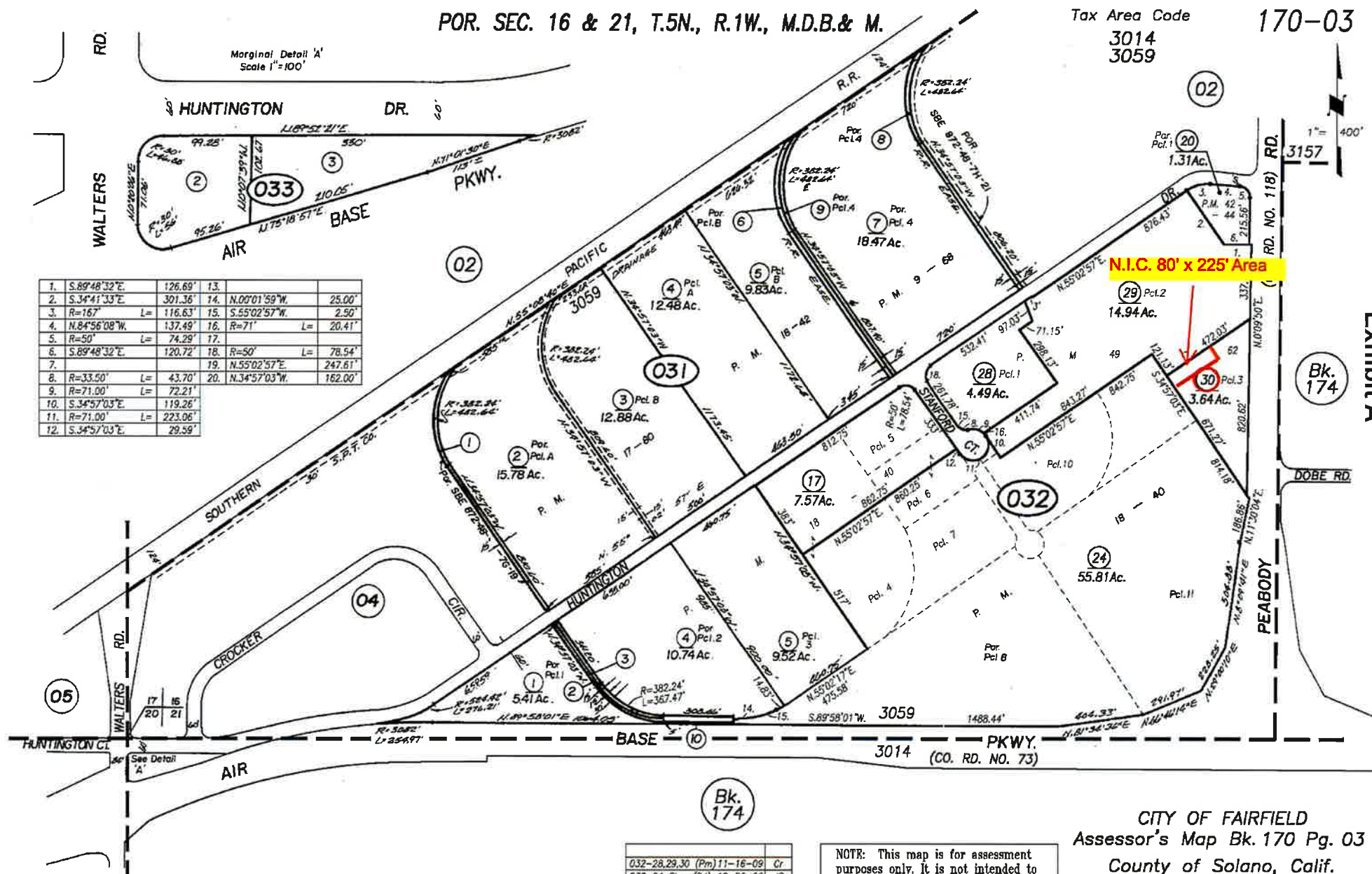
List of Exhibits

Exhibit "A"	Description of Property
Exhibit "B"	Form of Grant Deed (with form of Certificate of Acceptance)

EXHIBIT "A"

DESCRIPTION OF THE PROPERTY

170-03



Assessor's Block Numbers Shown in Ellipses, Assessor's Parcel Numbers Shown in Circles

NOTE: This map is for assessment purposes only. It is not intended to define legal boundary rights or imply compliance with land division laws.

CITY OF FAIRFIELD
Assessor's Map Bk. 170 Pg. 03
County of Solano, Calif.

January 13, 2021

AC)

SF)

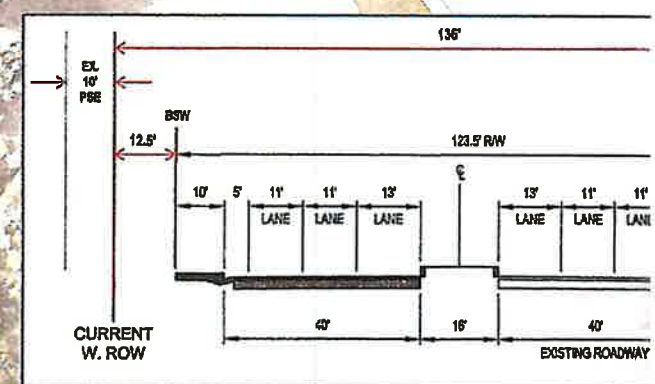
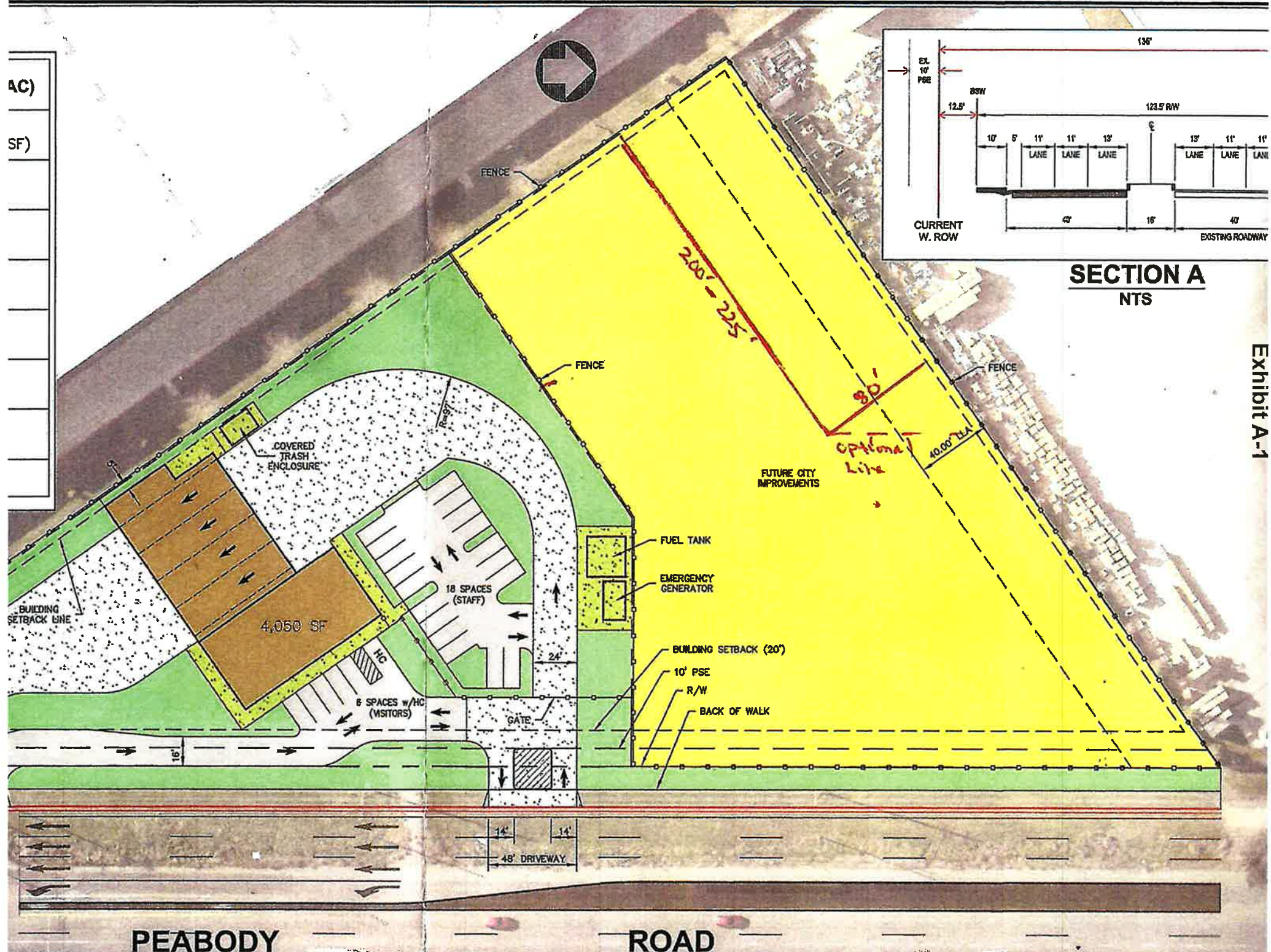


Exhibit A-1

PEABODY

ROAD

EXHIBIT "B"

FORM OF GRANT DEED
(WITH FORM OF CERTIFICATE OF ACCEPTANCE)

(Attached.)

APN: Portion of 0170-032-300

(SPACE ABOVE FOR RECORDER'S USE ONLY)

This document is exempt from the payment of a recording fee pursuant to Government Code §6103.

Documentary Transfer Tax: Exempt; conveyance to a public entity.

Property is in the City of Fairfield, County of Solano.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, LBM PARTNERSHIP, a California limited partnership, hereby GRANTS to the CITY OF FAIRFIELD, a California municipal corporation, that certain real property located in the City of Fairfield, County of Solano, State of California, described on Exhibit "A" attached hereto and all improvements thereon and rights appurtenant thereto (the "Property").

IN WITNESS WHEREOF, the undersigned have executed this Grant Deed as of the date set forth below.

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 Solano)

On _____, 2021, before me, _____,
(insert name and title of the officer)

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 paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit A To Grant Deed

Legal Description

CERTIFICATE OF ACCEPTANCE
(California Government Code Section 27281)

This is to certify that the interest in real property conveyed by the attached Grant Deed executed by LBM Partnership, a California limited partnership, as grantor, is hereby accepted by the undersigned officer on behalf of the City of Fairfield pursuant to the authority conferred by the City Council of the City of Fairfield at a meeting on _____, 2021 and the grantee consents to the recordation thereof by its duly authorized officer.

Dated as of: _____, 2021

City Manager

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 Solano)

On _____, 2021, before me, _____,
(insert name and title of the officer)

a Notary Public in and for the State of California, 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 paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)