

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

Between

SANTA FE PACIFIC REALTY CORPORATION,
a Delaware corporation

("Seller")

and

DONALD R. SIGNER

XXX

("Buyer")

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AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

This Agreement for Purchase and Sale of Real Property ("Agreement") is made effective as of this 10th day of May, 1990 (the "Effective Date") by and between SANTA FE PACIFIC REALTY CORPORATION, a Delaware corporation ("Seller"), and _____
DONALD R. SIGNER ("Buyer").

RECITALS

A. Seller is the owner of approximately six hundred ninety-six (696) acres of unimproved real property, commonly known as the Fremont Project, located in the City of Fremont, County of Alameda, State of California, which is more particularly described on the site plan attached hereto as Exhibit "A" and made a part hereof (the "Total Property").

B. Seller has proposed to develop a mixed-use project on the Total Property consisting of auto center, warehouse/ manufacturing, research and development/office, retail/ commercial, hotel, open space and related uses (the "Project"). It is contemplated by the parties hereto that an auto center will be developed on a portion of the Total Property consisting of approximately eighty-eight (88) acres, which automobile center property is more particularly described on Exhibit "B" attached hereto and made a part hereof (the "Auto Center Property"). It is further contemplated that several different automobile dealers (including Buyer) owning various automobile franchises will operate their respective businesses thereon. The automobile center contemplated to be developed on the Auto Center Property is hereinafter referred to as the "Fremont Auto Mall."

C. On March 23, 1989, the City of Fremont ("City") certified as complete the Environmental Impact Report ("EIR") covering the Project. On April 11, 1989, the City approved Resolution No. 7577 amending the General Plan of the City by redesignating the Total Property from industrial to industrial and commercial, and by making changes to the circulation element to serve the Total Property. On April 11, 1989, the City adopted Ordinance No. 1862 rezoning the Total Property to a Planned (P) District and adopting

a preliminary and precise site plan for said Planned District. On April 11, 1989, the City approved Resolution No. 7578 ratifying the City Planning Commission's approval of Tentative Map 5964 which, in part, depicts nine (9) lots or parcels within the Auto Center Property. On April 11, 1989, the City adopted Ordinance No. 1863 approving the terms of a Development Agreement between the City and Seller covering the Project. In addition to the governmental approvals referred to above, Seller intends to process for approval by the applicable governmental agency a two (2) lot parcel map that will create the approximately eighty-eight (88) acre Auto Center Property as a separate legal parcel (the "Two Lot Parcel Map").

D. Buyer, together with the Fremont auto dealers more particularly described in Exhibit "C" attached hereto (collectively, "Auto Dealer Partners"), intend to form a partnership to carry out certain obligations with respect to the initial development and improvement of the Auto Center Property ("Auto Dealer Partnership"). The Auto Dealer Partners together with any other person or entity operating an automobile dealership on the Auto Center Property are hereafter referred to collectively as the "Auto Dealers."

E. Following approval of the Two Lot Parcel Map and a Final Parcel Map for the Auto Center Property which shall create lots in the configuration substantially as shown on the Revised Configuration Map attached hereto as Exhibit "D" and made a part hereof ("Revised Configuration Map"), Seller desires to sell to Buyer and Buyer desires to purchase from Seller that certain lot or parcel identified as Lot No. 2 on the Revised Configuration Map consisting of approximately 196,020 gross square feet and approximately 180,605 net square feet (the "Property") on the terms and conditions stated below. Upon the acquisition of the Property from Seller pursuant to the terms hereof, Buyer intends to develop, or cause to be developed, the Fremont Auto Mall as described above, and a new car dealership on the Property in accordance with the terms and conditions stated below.

3. Payment of Purchase Price. The Purchase Price for the Property shall be payable by Buyer to Seller as follows:

(a) Initial Deposit. Concurrently with the execution of this Agreement, Buyer shall deliver to Escrow Holder (as described in Paragraph 4(a) hereof) for immediate release to Seller in cash an amount equal to \$36,312.71 [two and one-half percent (2 1/2%) of the estimated Purchase Price for the Property based on \$7.41 per gross square feet within the Property] ("Initial Deposit"). The Initial Deposit shall be credited against the Purchase Price at Close of Escrow.

(b) Additional Deposit. On or before the expiration of the Environmental Review Period described in Paragraph 8(1) below, Buyer shall deliver to Escrow Holder (as described in Paragraph 4(a) hereof) for immediate release to Seller in cash an amount equal to \$36,312.71 [two and one-half percent (2 1/2%) of the estimated Purchase Price for the Property based on \$7.41 per gross square feet within the Property] ("Additional Deposit"). The Additional Deposit shall be credited against the Purchase Price at Close of Escrow.

(c) Subsidy Note.

(i) At the Close of Escrow, Buyer shall execute and deliver to Seller a promissory note payable to Seller or order in the principal amount equal to the product obtained by multiplying (i) the total amount of the costs of construction of certain public improvements and fees described in Exhibit "O" attached hereto (estimated to be equal to \$4,358,356) to be reimbursed to Seller by City pursuant to the terms of the Tri-Party Agreement more particularly described in Paragraph 12(b), by (ii) a fraction, the numerator of which is the total square footage of the Property and the denominator of which is the square footage of the Purchase Price (as defined in the Tri-Party Agreement) to be included within the Assessment District described in the Tri-Party Agreement ("Subsidy Note"). Interest shall accrue on the outstanding principal balance of the Subsidy Note at a rate equal to one and one-half percent (1 1/2%) above the Bank of America, San Francisco Branch, Reference Rate. The Subsidy Note shall mature sixty (60)

substantially in the following form will satisfy the above requirement:

_____ acknowledges that Santa Fe Pacific Realty Corporation has entered into a Development Agreement dated April 11, 1989 with the City of Fremont (the "Development Agreement") which Development Agreement sets forth certain rights and obligations with respect to development of the Property that is the subject of the Development Agreement. _____ agrees that in its development of the Property, it shall comply with the conditions that apply to development of the Property and shall be governed by all applicable terms and conditions of the Development Agreement (including, without limitation, the exercise by the City of any rights and remedies it may have against Santa Fe Pacific Realty Corporation).

20. General Provisions.

(a) Notices. Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be in writing and shall be deemed duly given when personally delivered, or in lieu of such personal service, forty-eight (48) hours after deposit in the United States mail, registered or certified mail, postage prepaid, return receipt requested, to the address set forth below or to such other address of which the parties are subsequently notified in writing.

Seller: Santa Fe Pacific Realty Corporation
201 Mission Street
San Francisco, CA 94105
Attn: Regional Director Sales
and Land Management

Copy #1: Santa Fe Pacific Realty Corporation
201 Mission Street
San Francisco, CA 94105
Attn: General Counsel

Buyer: Donald R. Signer
Don Signer Buick
38623 Fremont Boulevard
Fremont, CA 94536

(b) Attorneys' Fees. In the event of any litigation between the parties concerning the interpretation or enforcement of any of the provisions of this Agreement, the prevailing party in such litigation shall be entitled to its reasonable attorneys' fees and costs of such action.

(c) Merger/Entire Agreement. This Agreement is intended to be the entire agreement of the parties. All prior negotiations, written agreements and oral agreements between the parties

illegality or unenforceability shall not affect any other provision of this Agreement and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

(k) Interpretation. This Agreement shall be construed in accordance with its fair meaning and shall not be construed against the party drafting the same.

(l) Joint and Several Liability. If Buyer is comprised of more than one individual or entity, then the liability of such individuals and/or entities comprising Buyer hereunder shall be joint and several.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date first set forth above.

SELLER:

SANTA FE PACIFIC REALTY CORPORATION, a
Delaware corporation

By 

Its Sr. Vice President

BUYER:


DONALD R. SIGNER

EXHIBIT "C"

AUTO DEALER PARTNERS

1. Henry Mario Pierotti, Jr. and Karl Irvin Haas
2. Mark D. Hamilton and Holly Ann Hamilton
3. Frank Meads
4. Donald R. Signer
5. Henry Khachaturian and Rita M. Khachaturian
6. Thomas H. Claridge and Janice F. Claridge

