JEFFERSON SCHOOL DISTRICT

TRACY HILLS FIRST K-8 SCHOOL SITE

PURCHASE AND SALE AGREEMENT

This Tracy Hills First K-8 School Site Purchase and Sale Agreement ("Agreement") is made this 13th day of October, 2020 ("Effective Date"), by and between Jefferson School District, a California public school district, ("District") and Tracy BPS, LLC, a Delaware limited liability company ("Landowner"). District and Landowner may also hereinafter be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

A. District is a public school district of the State of California ("State"), and is fully vested with the power to acquire real property.

B. Landowner owns fee title to property within the City of Tracy and the jurisdictional boundaries of the District ("Tracy Hills Phase I Property") which is located within a master planned community which, along with other real property, will include residential dwelling units and non-residential development (collectively, the "Tracy Hills Project").

C. To mitigate anticipated school impacts from development of the Tracy Hills Project, the District entered into that certain Tracy Hills Project School Impact Mitigation Agreement by and among the District and Angelo K. Tsakopoulos ("AKT"), and The Tsakopoulos Family Partnership (the "Partnership," and collectively with AKT, the "Original Master Landowner"), dated as of October 14, 2003, and recorded on November 4, 2003, in the Official Records of San Joaquin County ("Official Records") as Document No. 2003-255476 (the "Original Mitigation Agreement"), which has been amended by that certain First Amendment to Tracy Hills Project School Impact Mitigation Agreement for Project Phase I (1A & 1B) Development by and among (i) District and (ii) the successor to the Original Master Landowner, comprised of Tracy Phase I, LLC ("TPI"), Tracy Phase IB, LLC ("TPIB"), Tracy Phase 2, LLC ("TP2"), Tracy Phase 3, LLC ("TP3"), Tracy Phase 4, LLC ("TP4"), and Landowner (Landowner, together with TPI, TPIB, TP2, TP3, and TP4, are hereinafter referred to as the "Master Landowner"), dated as of June 20, 2018, and recorded on July 24, 2018, in the Official Records as Document No. 2018-081169 (the "First Amendment"), by that certain Second Amendment to Tracy Hills Project School Impact Mitigation Agreement for Project Phase 1 (1A & 1B) Development by and between District and Master Landowner, entered into on or about September 17, 2018, and recorded on September 19, 2018, in the Official Records as Document No. 2018-104306 (the "Second Amendment"), and by that certain Third Amendment to Tracy Hills Project School Impact Mitigation Agreement for Project Phase 1 (1A & 1B) Development by and between District and Master Landowner, dated as of December 2, 2019, and recorded on February 25, 2020, as Document No. 2020-023907 (the "Third Amendment"). The Original Mitigation Agreement, as amended by the First Amendment, the Second Amendment and the Third Amendment, is hereinafter referred to as the "Mitigation Agreement."

D. The Parties have agreed in the Mitigation Agreement that the Master Landowner shall convey property to the District for the construction by the District of a school for students in kindergarten through the eighth grade (a "K-8 School"). The Parties intend, by this Agreement, to more particularly set forth the terms, covenants and conditions under which Landowner will convey to the District a portion of the Tracy Hills Phase I Property for the construction of a K-8 School.

AGREEMENT

NOW, THEREFORE, in view of the foregoing Recitals, which are incorporated herein by this reference, and in consideration of the following terms, conditions and covenants, it is agreed as follows:

SECTION 1. TRACY HILLS #1 SITE

1.1 Tracy Hills #1 Site Identification and Reservation. Landowner and the District have identified a proposed site within the Tracy Hills Phase I Property for a K-8 School, as depicted on Exhibit A and legally described on Exhibit A-1 (the "Tracy Hills #1 Site"). The Tracy Hills #1 Site comprises approximately 14.03 acres. Notwithstanding Section 2 of the School Site Funding Agreement, the Parties acknowledge and agree that Landowner shall not be required to convey to District under this Agreement any additional adjacent acreage unless and until such time as District provides evidence to Landowner that such additional acreage is necessary for imminent use as interim housing.

1.2 State Approval. On March 5, 2019, the District received final site approval for the Tracy Hills #1 Site from the California Department of Education ("CDE") that is valid for a maximum of five (5) years. However, the Parties agree and acknowledge that the CDE approval letter states: "if prior to acquisition and/or initiation of the response action, changes take place within this five-year period which would affect or alter the Department of Education's original approval – including, but not limited to, changes in surrounding land uses or CEQA determination, the master plan capacity of the site and changes in code and/or regulation – the site may be subject to reevaluation using the current standards in effect at the time of reevaluation." The Parties agree to cooperate in updating the CDE approval if necessary.

1.3 Sale of Tracy Hills #1 Site. Notwithstanding the terms of Section 10.7 of the Mitigation Agreement, Landowner agrees to sell to the District, rather than lease, the Tracy Hills #1 Site in accordance with the terms and conditions of this Agreement. Upon all of the terms, conditions and covenants of this Agreement and for a purchase price to be determined pursuant to Section 2.1(c), below, of this Agreement ("Purchase Price"), Landowner agrees to sell the Tracy Hills #1 Site to District by Grant Deed substantially in the form attached hereto as Exhibit B (the "Grant Deed"). Notwithstanding the terms of Section 6.1 of the Mitigation Agreement, Landowner agrees to deliver the Tracy Hills #1 Site to District in accordance with the Superpad Requirements specified in Exhibit I of the Mitigation Agreement ("Superpad Condition") rather than in mass graded condition.

1.4 Access and License Agreements. Landowner agrees to provide the District with such access to the Tracy Hills #1 Site before the Closing Date as may be reasonably necessary to perform site review, and related activities; provided, however, that prior to District entering the Tracy Hills #1 Site, Landowner and District shall enter into an entry permit in the form attached hereto as Exhibit E.

SECTION 2. CONVEYANCE OF TRACY HILLS #1 SITE

2.1 State Funding.

(a) Maximizing Public Funding. The Parties shall cooperate and use their best efforts to maximize receipt of all state funding available to fund the school site acquisition (collectively, "State Funding"). Without limiting the generality of the preceding sentence, the Parties shall take all of the actions set forth in this Section 2.1.

(b) Coordinated Submittals for State Funding. The District, in cooperation with a District-selected school facilities consultant ("District School Consultant"), and a separate consultant retained by Landowner ("Landowner School Consultant"), (collectively "School Consultants"), shall, in good faith, use its best efforts to establish the District's eligibility for and obtain an apportionment from the State Allocation Board (SAB) of the maximum allowable amount of State Funding available for site acquisition of the Tracy Hills #1 Site. The District and Landowner agree to work together in good faith to complete the forms and documents necessary to establish eligibility for and obtain the maximum allowable State Funding. State funds obtained for site acquisition of the Tracy Hills #1 Site shall be reimbursed to Landowner pursuant to Section 2.1(d) below.

(c) Appraisal. The appraisal of the Tracy Hills #1 Site shall be conducted in accordance with the applicable State requirements related to school site acquisition by school districts to ensure State Funding eligibility, and District and Landowner agree that in no event shall any of the procedures set forth above or in the Mitigation Agreement operate to circumvent such applicable State requirements, which State requirements shall be followed by District and Landowner in the event of any conflict with the foregoing procedures. The Parties shall jointly select a certified MAI appraiser ("Appraiser") from a list of qualified appraisers selected by the District with the reasonable approval of Landowner ("Approved List"). The Appraiser shall conduct an appraisal of the Tracy Hills #1 Site, as of a date mutually agreed to by the Parties and according to its highest and best use without regard to its proposed use for school purposes using the Uniform Standards of Professional Appraisal Practice, and in accordance with all applicable requirements for appraisal of property to be acquired for school purposes ("Appraised Value"). The Tracy Hills #1 Site shall be appraised as if it were a clean site, safe from all contaminants in accordance with SFP Regulations, Section 1859.74.1, CDE guidelines, and Title 5, California Code of Regulations. The Tracy Hills #1 Site shall be appraised in a construction-ready Superpad Condition as more fully described in Exhibit I of the Mitigation Agreement ("Appraised Condition"). The Parties shall each pay 50% of the cost for such appraisal. Further, either Party may request an updated appraisal at any time prior to Close of Escrow. In the event either Party objects to an appraisal conducted pursuant to this Agreement, each Party shall appoint an appraiser to determine the Appraised Value pursuant to the requirements set forth herein

("Appointed Appraisers"). If the Appointed Appraisers arrive at Appraised Values that differ by five percent (5%) or less, the Appraised Value shall be the average of said Appraised Values. If the Appointed Appraisers arrive at Appraised Values that differ by more than five percent (5%), the Appointed Appraisers shall agree on the appointment of a third appraiser, whose determination will be deemed dispositive of the Appraised Value. If Close of Escrow does not occur within six (6) months of the date of the appraisal determining the purchase price, the appraisal shall be updated, such that the Appraised Value of the Tracy Hills #1 Site shall always be established as of a date not more than six (6) months prior to the date of the District's submission of the State Funding applications for the acquisition of the Tracy Hills #1 Site by District.

(d) Site Acquisition and Site Development Reimbursements. For purposes of reimbursement, the cost of the Tracy Hills #1 Site shall be deemed to be that amount determined pursuant to this Agreement, or such updated appraised price if required by CDE guidelines, of which the State will fund fifty percent (50%) ("Site Acquisition Reimbursement"), if applicable, or the maximum percentage of funding provided by the State funding program at the time of such payment, if any. Immediately upon receipt by the District, the Site Acquisition Reimbursement for the Tracy Hills #1 Site shall be deposited with Escrow Holder and if requested by Landowner, held in an interest-bearing account and, except as provided in this Section below, paid to Landowner for the Tracy Hills #1 Site at Close of Escrow if such funds have been received by the District as of the Closing Date; otherwise, should the District receive the Site Acquisition Reimbursement post-closing for the Tracy Hills #1 Site, the Site Acquisition Reimbursement shall be paid to Landowner immediately after receipt thereof by the District. For purposes of reimbursement, the cost to prepare the Tracy Hills #1 Site shall be the allowable costs incurred and reported by the District to the State on SAB Form 50-04 or other applicable form, consistent with School Facilities Act and SFP Regulations or the State funding regulations in effect at the time, of which the State will fund fifty percent (50%) ("Site Development Reimbursement"), if applicable, or the maximum percentage of funding provided by the State funding program at the time of such payment, if any. The Site Development Reimbursement for the K-8 School shall be paid to Landowner within thirty (30) days of receipt of any State Funding received by the District for such Site Development Reimbursement. Notwithstanding the foregoing, Landowner agrees the District's obligation to reimburse Landowner for State Funding received by the District for Site Acquisition Reimbursement and/or Site Development Reimbursement shall automatically terminate thirty (30) years from Closing Date.

2.2 Audit. The Parties acknowledge that the expenditure of State Funding for the Tracy Hills #1 Site may be audited by the OPSC, pursuant to Title 2, Section 1859.106 of the California Code of Regulations, to ensure that the expenditures incurred by the District were consistent with the regulations governing new construction projects and that the District complied with site acquisition guidelines contained in Sections 1859.74 *et seq*., of the California Code of Regulations ("Audit"). Upon receipt of notice that the OPSC intends to conduct an Audit, the District shall immediately notify Landowner, whereupon the Parties, and their Audit Consultants (if any) shall cooperate with and assist each other with the intention of fully preserving all of the terms of this Agreement and the benefits and obligations secured thereby. Landowner shall use reasonable commercial efforts to assist the District in connection with the Audit. In the event the OPSC, after auditing the project, concludes that the project was not

eligible for any or all of the State Funding and either demands reimbursement or reduces the amount of a future apportionment, Landowner shall pay to District the amount of such reimbursement or reduction of future apportionment within sixty (60) days of receipt of a written demand for payment by District, unless the time frame mandated by OPSC warrants a shorter time period, in which event, Landowner shall pay in a manner sufficient to comply with OPSC's request; provided, however, that (i) in the event a dispute resolution procedure exists, District agrees to cooperate with Landowner with respect to any challenge to the Audit results, and (ii) in no event shall Landowner's obligation for payment of such reimbursement or reduction exceed the amount of State Funding actually received by Landowner in connection with the Tracy Hills #1 Site subject to the audit. The District and Landowner shall each have the right, at its sole cost, to hire a consultant to assist it with the Audit (each, an "Audit Consultant").

2.3 Conveyance in Lieu; State Funding and Available Local Funding. This Agreement implements the provisions of the Mitigation Agreement relating to the K-8 School. The intent of this Agreement, together with the Mitigation Agreement, is that, in lieu of payment of fees or other mitigation funds or compliance with other School Mitigation Requirements with respect to K-8 students, Landowner shall provide land for and shall fund school facilities sufficient to accommodate all K-8 students generated by the Project, and shall be reimbursed any State Funding received by the District for such Tracy Hills #1 Site, pursuant to the terms of this Agreement. The Parties acknowledge and agree that, with respect to the K-8 School, if Landowner were providing mitigation in the form of a mitigation payment, such payment would be in the amount necessary to fund the costs of site development and acquisition of the Tracy Hills #1 Site and that the District would reimburse to Landowner any State Funding received for such land and improvements, such that Landowner's mitigation obligation did not exceed the District's local match obligation under the School Facility Program. Consistent with the foregoing, in lieu of payment by Landowner to the District of a mitigation payment equal to the Purchase Price, and payment of the Purchase Price to Landowner through Escrow, the transaction is structured such that (a) Landowner's and the District's respective mitigation and Purchase Price payment obligations concerning the Tracy Hills #1 Site shall be deemed to have been fulfilled as of the date of Close of Escrow, and no funds shall change hands (except for State Funding received as of the Closing Date by the District for costs of acquisition of the Tracy Hills #1 Site, as provided above); and (b) Landowner shall be entitled to any State Funding received by the District for the acquisition of the Tracy Hills #1 Site after the Closing Date, pursuant to the terms of this Agreement. Landowner acknowledges that it shall be entitled only to State Funding actually received by the District and bears the risk that no such State Funding will be received by the District, either before or after Close of Escrow, despite the best efforts of both Parties to secure such funds. The Parties acknowledge and agree that this Agreement shall be used by the District as evidence that it has secured funding for the fifty percent (50%) local matching funds for site development and acquisition of the Tracy Hills #1 Site required under the School Facility Program and as part of the certification to the SAB that the District will fund its local match share of the cost of acquisition, and site development of the K-8 School.

SECTION 3. TRACY HILLS #1 SITE CLOSING CONDITIONS

3.1 District's Contingencies. The District's obligation to consummate the purchase of the Tracy Hills #1 Site is contingent upon satisfaction of the following conditions:

(a) Landowner shall not be in material default of any term or condition of this Agreement or those provisions of the Mitigation Agreement solely with respect to the conveyance of the Tracy Hills #1 Site;

(b) Landowner shall have deposited with Escrow Holder all documents required to be delivered by Landowner under this Agreement solely with respect to the conveyance of the Tracy Hills #1 Site;

(c) All representations and warranties as made by Landowner in this Agreement (subject to the provisions of Section 4.2 below) shall continue to be true and correct in all material respects as of the Close of Escrow as though made at that time;

(d) District shall have approved the physical condition of the Tracy Hills #1 Site as provided in this Section 3.1(d), which approval may be withheld in District's sole and absolute discretion. Provided that District is not in breach of this Agreement, and subject to the requirements of Section 1.4 above, District shall be entitled to enter upon the Tracy Hills #1 Site, at reasonable times and upon reasonable notice during the Feasibility Period (defined below), for the purposes of conducting its evaluation of the physical condition of the Tracy Hills #1 Site, including investigation and evaluation of soil, subsurface soils, drainage, seismic and other geological and topographical matters, location of asbestos, toxic substances, hazardous materials or wastes, if any, and performing any environmental, soils and other engineering tests so as to ensure that the Tracy Hills #1 Site complies with all School Site Laws described in Section 3.1(f); provided that no intrusive drilling, boring, testing and/or changes shall be made on the Tracy Hills #1 Site without the express prior written approval of Landowner, which approval shall be in Landowner's sole and absolute discretion, and District shall indemnify, protect, defend and hold harmless Landowner and its owners, trustees, agents, officers, directors, partners, shareholders, subsidiaries, affiliates, employees and any lenders from and against any claims, demands, liabilities, damages, losses, costs or expenses (including, without limitation, reasonable attorneys' and experts' fees and other costs) arising out of or in connection with any activities on the Tracy Hills #1 Site by District and/or District's agents or representatives. District shall be deemed to have approved the physical condition of the Tracy Hills #1 Site unless District has delivered to Landowner, not later than the State Approval Date (as defined below), written notice disapproving the physical condition of the Tracy Hills #1 Site. The period between the Effective Date and the State Approval Date shall be known as the "Feasibility Period." If District delivers written notice to Landowner of District's disapproval of a matter relating to the physical condition of the Tracy Hills #1 Site, Landowner shall have a period of ten (10) days after receipt of such notice to elect to cure any such disapproved matter (and failure by Landowner to elect in writing to cure any such matter within such ten (10) day period shall be deemed Landowner's election not to cure such disapproved matter). If Landowner elects to cure a disapproved matter relating to the physical condition of the Tracy Hills #1 Site, then it shall be a condition to District's obligation to purchase the Tracy Hills #1 Site that such matter be cured prior to the Close of Escrow. If Landowner elects or is deemed to have elected not to cure any matter disapproved by District as provided above, the Parties shall meet and confer to determine whether the disapproved matter can be remedied pursuant to the Reconfigured/Substituted Site Process and, if so, the Parties shall agree upon the appropriate reconfiguration of the boundaries of the Tracy Hills #1 Site or, if the site (in its original or reconfigured form) fails to satisfy one or

more requirements for a school site set forth in Section 1.2, the Parties shall jointly identify and agree upon an alternative school site;

(e) District shall have determined, in its sole and absolute discretion, that the Tracy Hills #1 Site is not in violation of any federal, state, or local law, ordinance, or regulation relating to Hazardous Materials, industrial hygiene, or to the environmental conditions on, under, or about the Tracy Hills #1 Site, or any portion thereof, including, but not limited to, soil and groundwater conditions ("Environmental Laws"). The term "Hazardous Materials" when used in this Agreement shall mean any hazardous waste, hazardous substance, hazardous materials or toxic substances as defined, as of the Close of Escrow, in any federal, state, or local statute, ordinance, rule, or regulation applicable to the Tracy Hills #1 Site, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (Title 42 United States Code sections 9601-9675), the Resource Conservation and Recovery Act (Title 42 United States Code sections 6901-6992k), the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code sections 25300-25395), Hazardous Waste Control Law (Health and Safety Code sections 25100-25250.25), the Hazardous Materials Transportation Act, as amended (Title 49 United States Code Sections 1801-1819), and any substance defined as "hazardous waste" in Health and Safety Code Section 25117 or as a "hazardous substance" in Health and Safety Code Section 25316, and in the regulations adopted and publications promulgated under these laws. "Hazardous Materials" shall also include asbestos or asbestos-containing materials, radon gas, and petroleum or petroleum fractions, whether or not defined as a hazardous waste or hazardous substance in any such statute, ordinance, rule, or regulation as of the Close of Escrow. District shall be deemed to have determined that the Tracy Hills #1 Site is not in violation of any Environmental Laws unless District gives Landowner written notice to the contrary prior to the State Approval Date. Once District has determined or is deemed to have determined that the Tracy Hills #1 Site is not in violation of any Environmental Laws, it shall be a condition to District's obligation to purchase the Tracy Hills #1 Site that no event shall thereafter occur prior to the Close of Escrow which would cause the Tracy Hills #1 Site to be in violation of any Environmental Laws;

(f) District shall have determined, in its sole and absolute discretion, that its acquisition of the Tracy Hills #1 Site is in compliance with all applicable California laws and regulations relating to school site acquisition, including without limitation the following (collectively, the "School Site Laws"):

(1) Requirements for school site approval by the CDE (Education Code Section 17210 *et seq.* and Title 5 of the California Code of Regulations Section 14000 *et seq.*);

(2) All environmental requirements applicable to school site acquisition, including without limitation, geological and soil engineering investigations, hazardous waste and hazardous air emissions, and Phase I and Phase II Reports and Preliminary Endangerment Assessments, if applicable (Education Code Sections 17210, 17212, 17212.5, 17213 and 17213.1; Public Resources Code Section 21151.8);

(3) California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*);

(4) Zoning compliance (Government Code Sections 53091, 53094 and 65402; Public Resources Code Section 21151.2);

(5) Any additional requirements of the State of California, including without limitation, CDE, DTSC, the State Allocation Board and the Office of Public School Construction.

District shall be deemed to have determined that its acquisition of the Tracy Hills #1 Site is in compliance with School Site Laws unless District shall have delivered written notice to the contrary prior to the State Approval Date. Once District has determined or is deemed to have determined that the Tracy Hills #1 Site is in compliance with School Site Laws, it shall be a condition to District's obligation to purchase the Tracy Hills #1 Site that no event shall thereafter occur prior to the Close of Escrow which would cause the Tracy Hills #1 Site to not be in compliance with all School Site Laws;

(g) District shall have approved its review of due diligence materials that it obtains on its own or that are provided by or through Landowner, which approval may be withheld in District's reasonable discretion. District shall be deemed to have approved all such materials unless District shall have delivered written notice to the contrary prior to the State Approval Date;

(h) District shall have approved the condition of title as provided in this paragraph. Within thirty (30) days after the Effective Date, Landowner shall provide District with a First American Title Company Preliminary Title Report (the "Preliminary Title Report") offering to insure title to the Tracy Hills #1 Site in the amount of Purchase Price subject to the exceptions and exclusions shown thereon. Landowner makes no representation or warranty whatsoever in connection with the accuracy or completeness of any matter shown on the Preliminary Title Report. District shall take title to the Tracy Hills #1 Site subject to all items shown on said Preliminary Title Report except only such matters as District expressly disapproves in writing to Landowner, which approval may be withheld in District's sole and absolute discretion, on or before the State Approval Date. Should District fail to disapprove any matter affecting the condition of title or constituting an exception to coverage under the Title Policy as set forth below, such matter and/or exception shall be deemed approved by District. If District delivers written notice to Landowner of District's disapproval of an item reflected in the Preliminary Title Report, Landowner shall have a period of ten (10) days after receipt of such notice to elect to remove any such disapproved item (and failure by Landowner to elect in writing to remove any such item within such ten (10) day period shall be deemed Landowner's election not to remove such disapproved item). If Landowner elects to remove a disapproved item, then it shall be a condition to District's obligation to purchase the Tracy Hills #1 Site that such item be removed as an exception in the Title Policy. If Landowner elects or is deemed to have elected not to remove any title item disapproved by District as provided above, then District may within ten (10) days after such election or deemed election by Landowner elect in writing to waive its previous disapproval of such item (and failure by District to waive such prior disapproval shall

be deemed District's election not to waive such prior disapproval). In the event the Title Policy requires an ALTA survey (which shall be at District's sole cost and expense), District shall take title subject to matters disclosed by such ALTA survey except only such matters as District expressly disapproves (which approval may be withheld in District's reasonable discretion) by that date specified above for approval of the original Preliminary Title Report. District acknowledges that the Tracy Hills #1 Site may be encumbered by a variety of utility or other easements, that Landowner has made absolutely no representations about the effect of any such easements on District's intended use of the Tracy Hills #1 Site or the possibility of removal or modification of such easements, and that District shall be solely responsible for evaluating such easements as part of District's title review under this Section 3.1. Upon the issuance of any amendment or supplement to the Preliminary Title Report which adds additional exceptions or adds any new requirement, the foregoing right of review and approval shall also apply to said amendment or supplement; provided, however, that District's period of review and approval or disapproval of any such additional exceptions shall be limited to ten (10) business days following District's receipt of the amendment or supplement and a copy of any new exception referred to therein.

(i) First American Title Company ("Title Company") shall be committed to issue to District an ALTA extended coverage owner's policy (the "Title Policy"), with liability in the amount of the Purchase Price, insuring fee title to the Tracy Hills #1 Site vested in the District, subject only to those matters or exceptions set forth in Section 3.1(h) of this Agreement.

(j) The CDE shall have approved the acquisition of the Tracy Hills #1 Site by District; and

(k) If and to the extent required by applicable law, the DTSC shall have approved the condition of the Tracy Hills #1 Site.

That date upon which District determines it is in compliance with the School Site Laws pursuant to subsection (f) of this Section 3.1 and receives the approval or determination from CDE and DTSC described in subsections (j) and (k) of this Section 3.1 shall be referred to herein as the "State Approval Date." The approvals by CDE, DTSC, OPSC and SAB shall be referred to herein as the "State Approvals."

3.2 Landowner's Contingencies. Landowner's obligation to consummate the sale of the Tracy Hills #1 Site to District is contingent upon satisfaction of the following conditions:

(1) District shall not be in material default of any term or condition of this Agreement or those provisions of the Mitigation Agreement solely with respect to the conveyance of the Tracy Hills #1 Site;

(2) District shall have deposited with Escrow Holder all documents required to be delivered by District under this Agreement solely with respect to conveyance of the Tracy Hills #1 Site;

(3) All representations and warranties as made by District in this Agreement (subject to the provisions of Section 4.1 below) shall continue to be true and correct in all material respects as of the Close of Escrow as though made at that time;

(4) The State Approvals shall have been received.

(5) If eligible for State Funding, the District shall have filed and shall be actively processing an application with the State Allocation Board ("SAB") for State Funding for the Tracy Hills #1 Site.

3.3 Waiver of Conditions. District or Landowner, respectively, may at any time or times, at its election, waive any of the conditions set forth in Sections 3.1 or 3.2 to its obligation to purchase or sell the Tracy Hills #1 Site, but any such waiver shall be effective only if contained in a writing signed by the Party waiving the condition and delivered to the other Party.

3.4 Failure of Conditions. In the event there is a failure of any condition to either Party's obligation as set forth in Sections 3.1 or 3.2, unless such failure is waived by the Party for whose benefit the condition exists as set forth in Section 3.3, then the Parties shall meet and confer to determine whether the failure of condition can be remedied by reconfiguring the boundaries of the Tracy Hills #1 Site pursuant to the Reconfigured/Substituted Site Process and, if so, the Parties shall agree upon the appropriate reconfiguration of the boundaries of the Tracy Hills #1 Site. In the event the failure of condition cannot be remedied by reconfiguration of the boundaries, then the Parties shall jointly identify and agree upon an alternative school site. Either Party may at any time after the failure of a condition to the other Party's obligations as set forth in as set forth in Sections 3.1 or 3.2 give the other Party written notice (a "Demand Notice") demanding that the other Party either waive the failed condition (or, if applicable, participate in the Reconfigured/Substituted Site Process), and the other Party's failure to waive the failed condition in writing within ten (10) business days after receipt of the Demand Notice (or such longer period as may be established by the Party giving such Demand Notice) shall be deemed the other Party's consent to initiate the Reconfigured/Substituted Site Process. With the exception of the State Approvals condition, if escrow closes and the Tracy Hills #1 Site is conveyed under this Agreement, both Parties shall be deemed to have waived any condition set forth in Sections 3.1 or 3.2 which has failed, and if such failed condition required approval by either Party, such deemed waiver of the condition shall also be deemed an approval of the previously disapproved item.

SECTION 4. REPRESENTATIONS AND WARRANTIES; DISCLOSURES

4.1 District's Representations and Warranties. District represents and warrants to Landowner as follows:

(a) District will make such independent investigations as it deems necessary or appropriate concerning the use, sale, development or suitability for development of the Tracy Hills #1 Site, including but not limited to: any desired investigations or analysis of the economic value of the Tracy Hills #1 Site; the size, dimensions, location or topography of the Tracy Hills #1 Site; the availability or adequacy of access to the Tracy Hills #1 Site, or of water, sewage or

any other utilities serving the Tracy Hills #1 Site; the presence or adequacy of infrastructure or other improvements on, near or concerning the Tracy Hills #1 Site; any surface, soil, subsoil or other physical conditions of or affecting the Tracy Hills #1 Site, such as climate, drainage, air, water or minerals; the amount, nature, condition or compaction of soil or subsoil; the extent or condition of title to the Tracy Hills #1 Site; then-current governmental laws, statutes, rules, regulations, ordinances, limitations, restrictions or requirements concerning the use, density, location or suitability of the Tracy Hills #1 Site or any existing or proposed development or condition thereof (collectively "Regulations"), including but not limited to zoning, subdivision, environmental or other such Regulations; the necessity of availability of any general or specific plan amendments, rezoning, zone variances, conditional use permits, environmental impact reports, parcel or subdivision maps, public reports or waivers by the California Department of Real Estate under the Subdivided Lands Act, or any other governmental permits, approvals or acts (collectively, the "Permits"); the necessity or existence of any dedications, fees, charges, costs or assessments that may be imposed in connection with any Regulations or the obtaining of any required Permits; and all other matters concerning the condition, use, development or sale of the Tracy Hills #1 Site.

(b) Except as expressly set forth herein, District is relying solely upon its own inspection, investigation and analysis of the foregoing matters in acquiring the Tracy Hills #1 Site and is not relying in any way upon any representations, statements, agreements, warranties, studies, reports, descriptions, guidelines or other information or material furnished by Landowner or its representatives, whether oral or written, express or implied, of any nature whatsoever regarding any of the foregoing matters.

(c) Except as set forth in this SECTION 4. , District is acquiring the land portion of the Tracy Hills #1 Site "AS IS," in its condition at the Close of Escrow, without representation by Landowner or its representatives as to any matter, unless as expressly provided herein. No patent or latent condition affecting the land portion of the Tracy Hills #1 Site in any way, whether or not known or discoverable or hereafter discovered, shall affect District's obligations to accept transfer of the land portion of the Tracy Hills #1 Site or otherwise contained in this Agreement, nor shall give rise to any right of damages, rescission or otherwise against Landowner.

(d) District is a duly organized and existing public entity by virtue of the laws of the State of California, and it has full right, power and authority to carry on its activities and to execute, deliver and perform, comply with and consummate this Agreement, subject to the State Approvals.

(e) The execution of this Agreement by District, its delivery to Landowner and the performance by District of its obligations under this Agreement have been duly authorized by its Board of Education ("Board").

(f) The execution, delivery, performance of and compliance with this Agreement has not resulted and will not result in any violation of, or be in conflict with, or result in the creation of, or constitute a default under, any mortgage, indenture, contract, agreement,

instrument, franchise, permit, judgment, decree, order, ordinance, statute, rule or regulation applicable to District.

(g) To District's knowledge, having disclosed the fact that the availability of current or future State Funding, or any funding, for the Tracy Hills #1 Site or K-8 School is uncertain and without warranting anything to the contrary, there is no suit, action, or legal, administrative, arbitration or other proceedings or investigation pending or, to the knowledge of District, threatened which affects its ability to perform any obligations hereunder or which materially adversely affects their respective businesses and affairs.

If District becomes aware of any act or circumstance which would change or render incorrect, in whole or in part, any representation or warranty made by District hereunder, whether as of the Effective Date or any time thereafter through the Close of Escrow, District will give immediate written notice of such changed fact or circumstance to Landowner, but such notice shall not release District of any liabilities or obligations with respect thereto.

The words "District's knowledge" as used herein shall mean the present, actual knowledge of staff of the District as of the Effective Date of this Agreement, without any duty of inquiry or investigation and without any individual liability of either such person for any matters disclosed or not disclosed, and Landowner expressly waives any claims for damages or other relief against those individuals arising out of or relating to any matters disclosed or not disclosed by them pursuant to this Agreement.

4.2 Landowner's Representations and Warranties. Landowner represents and warrants to District that, except as may have been disclosed on or in due diligence materials provided by Landowner to District, to Landowner's knowledge:

(a) Landowner has not received any written notice currently in effect that a condition on the Tracy Hills #1 Site violates any federal, state or local law, ordinance or regulation related to environmental conditions on or under the Tracy Hills #1 Site.

(b) There are no conditions on the Tracy Hills #1 Site which violate any federal, state or local law, ordinance or regulation related to the condition of the Tracy Hills #1 Site as of the date hereof.

(c) There are no pending or threatened, actions, suits, writs, injunctions, decrees, legal proceedings or governmental investigations against or affecting the Tracy Hills #1 Site or title to, the condition of, or the right to use and develop the Tracy Hills #1 Site.

(d) Except as may be shown on the Preliminary Title Report, there are no leases, licenses or other agreements relating to the possession or occupancy of the Tracy Hills #1 Site which would be binding upon District after the Close of Escrow.

(e) Landowner has not caused or knowingly permitted any contamination by Hazardous Materials to occur on or within the Tracy Hills #1 Site, or any portion thereof, and does not otherwise know of any such contamination of Hazardous Materials on or within the Tracy Hills #1 Site, or any portion thereof.

If Landowner becomes aware of any act or circumstance which would change or render incorrect, in whole or in part, any representation or warranty made by Landowner hereunder, whether as of the Effective Date or any time thereafter through the Close of Escrow, Landowner will give immediate written notice of such changed fact or circumstance to District, but such notice shall not release Landowner of any liabilities or obligations with respect thereto.

The words "Landowner's knowledge" as used herein shall mean the present, actual knowledge of John Stanek as of the Effective Date of this Agreement without any duty of inquiry or investigation and without any individual liability of either such person for any matters disclosed or not disclosed, and District expressly waives any claims for damages or other relief against those individuals arising out of or relating to any matters disclosed or not disclosed by them pursuant to this Agreement.

4.3 Natural Hazard Disclosure. District and Landowner acknowledge that Landowner is required to disclose if any of the Tracy Hills #1 Site lies within the following natural hazard areas or zones: (i) a special flood hazard area designated by the Federal Emergency Management Agency; (ii) an area of potential flooding; (iii) a very high fire hazard severity zone; (iv) a wild land area that may contain substantial forest fire risks and hazards; (v) an earthquake fault or special studies zone; or (vi) a seismic hazard zone. District and Landowner acknowledge that a company selected by Landowner ("Natural Hazard Expert") will examine the maps and other information specifically made available to the public by government agencies for the purposes of enabling Landowner to fulfill its disclosure obligations with respect to the natural hazards referred to above and to report the results of its examination to District and Landowner in writing. The written report prepared by the Natural Hazard Expert regarding the results of its examination (the "Natural Hazard Disclosure Report") to be provided to District by Landowner fully and completely discharges Landowner from its disclosure obligations referred to herein, and, for the purposes of this Agreement, the provisions of Civil Code Section 1103.4 regarding the non-liability of Landowner for errors and/or omissions not within its personal knowledge shall be deemed to apply, and the Natural Hazard Expert shall be deemed to be an expert dealing with matters within the scope of its expertise with respect to the examination and written report regarding the natural hazards referred to above.

SECTION 5. ESCROW, TITLE AND CLOSING

5.1 Escrow. Landowner and District shall open escrow with First American Title Company, Attn: Diane Burton, 4750 Willow Road, Suite #275, Pleasanton, CA 94588, at (925) 201-6603 ("Escrow Holder") to consummate the purchase and sale transaction described in this Agreement, and shall provide Escrow Holder with a copy of this Agreement, which shall constitute joint escrow instructions of the Parties. Escrow Holder is hereby authorized and instructed to implement the terms of this Agreement and, upon satisfaction or waiver of all closing conditions, to record, at Close of Escrow, the Grant Deed and the Declaration of Special Land Use Restrictions.

5.2 Title. Landowner shall transfer the Tracy Hills #1 Site to District in a condition which is insurable under the Title Policy showing and insuring title to the Tracy Hills #1 Site vested in District subject to the following:

(a) Conditions, covenants, restrictions, easements, reservations, rights, rights-of-way, dedications, offers of dedication and other matters of record shown on the Preliminary Title Report and approved or deemed approved by District as provided in Section 3.1(h) above;

(b) All matters set forth on the Grant Deed in the form attached hereto as Exhibit B;

(c) The covenants, conditions, restrictions and reservations set forth in that certain Declaration of Special Land Use Restrictions, in the form attached hereto as Exhibit C (the "Declaration of Special Land Use Restrictions"), which is to be recorded as to the Tracy Hills #1 Site immediately after the Grant Deed;

(d) Title Company's usual and customary printed exceptions to ALTA extended coverage title insurance;

(e) All matters caused by District or its agents or representatives, including but not limited to liens for materials supplied to or services performed for District and relating to the Tracy Hills #1 Site; and

(f) All other matters approved in writing by District.

5.3 Closing Costs. Notwithstanding anything herein to the contrary, (a) Landowner shall pay for the cost of a ALTA standard coverage title policy in a coverage amount equal to fifty percent (50%) of the Purchase Price, and District shall be responsible for the incremental cost of the Title Policy as well as the cost associated with any ALTA survey; (b) District shall pay any documentary transfer taxes and recording fees and all costs of any extended coverage, lender's or other title policy, and of any riders and endorsements to the owner's policy of title insurance and of any land surveys and all necessary zoning, subdivision or other permits costs, if any, as may be required for District's acquisition and use of the Tracy Hills #1 Site, and (c) each Party shall pay one half (1/2) of the escrow fees and shall bear its own respective legal and accounting costs.

5.4 Taxes. District is exempt from ad valorem taxes and shall file any necessary application to cancel such taxes for the period after Close of Escrow. Provided that the Tracy Hills #1 Site is acquired by District hereunder prior to commencement of the fiscal year for which the current taxes are a lien on the Tracy Hills #1 Site, neither District nor Landowner shall be liable for the payment of such taxes for such following fiscal year. If the Tracy Hills #1 Site is acquired by District hereunder after the beginning of the fiscal year for which the current taxes are a lien on the Tracy Hills #1 Site, then the following procedures shall apply:

(a) If the Tracy Hills #1 Site is to be acquired after July 1 of the fiscal year for which the current taxes are a lien on the Tracy Hills #1 Site, Landowner shall cause that portion of such current taxes, together with any allocable penalties and costs thereon, which are properly

allocable to that part of the fiscal year which ends on the day before the date of acquisition of the Tracy Hills #1 Site to either (A) be paid by Landowner prior to the date of acquisition, or (B) if unpaid for any reason, be transferred to the unsecured roll pursuant to Revenue and Taxation Code Section 2921.5 and be collectible solely from Landowner.

(b) The portion of such taxes, together with any penalties and costs thereon, which are allocable to that part of the fiscal year which begins on the date of acquisition of the Tracy Hills #1 Site, shall be cancelled and shall not be collectible either from Landowner or from District. District shall request the county tax collector to cancel such taxes.

(c) For the purposes of this paragraph, the date of acquisition shall be the date that the Grant Deed is recorded in the name of District or on the date of actual possession by District of the parcel covered by such Grant Deed, whichever is earlier.

(d) If taxes have been paid on the Tracy Hills #1 Site by Landowner after July 1 of the fiscal year for which the current taxes are a lien on the Tracy Hills #1 Site, the portion of such taxes which are allocable to the part of the fiscal year which begins on the date of acquisition and made uncollectible if unpaid by virtue of this paragraph and Revenue and Taxation Code Section 4986 shall be deemed between the Parties to be erroneously collected pursuant to Revenue and Taxation Code Sections 5086 and 5096.7 and Landowner shall have the right, after the date of acquisition, to apply to the Tracy County Auditor, Tax Collector, or Treasurer for refund of such taxes which may be due Landowner pursuant to Revenue and Taxation Code Section 5096.7.

(e) Any application for a tax refund pursuant to subparagraph (d) above shall be the sole responsibility of Landowner.

(f) All real property taxes and assessments for prior fiscal years, together with any penalties and costs thereon, shall be paid by Landowner.

5.5 Close of Escrow. The consummation of the purchase and sale transaction described in this Agreement shall be referred to as the "Close of Escrow" or "Closing." Unless otherwise agreed by the Parties, and subject to satisfaction or waiver of all closing conditions in SECTION 3. , the Close of Escrow shall occur no later than ten (10) business days after completion by Landowner and approval by the District of the Site Work for the Tracy Hills #1 Site. The date of Close of Escrow shall be referred to as the "Closing Date." The Parties acknowledge and agree that pursuant to the Third Amendment, Landowner shall deliver the Tracy Hills #1 Site to the District no later than November 20, 2020 (the "Outside Closing Date").

5.6 Deliveries at Closing. On or before the Closing Date (i) the Parties shall deliver to Escrow Holder the Grant Deed, executed and acknowledged on behalf of Landowner as grantor and the District as grantee, and the Declaration of Special Land Use Restrictions executed and acknowledged on behalf of Landowner and the District; (ii) Landowner shall deliver to the Escrow Holder funds sufficient to pay its share of the closing costs and such other documents and instructions as may be required by this Agreement in order to consummate the Closing; and (iii) District shall deliver to the Escrow Holder all State Funding received to date for the Tracy

Hills #1 Site that are payable to Landowner under the terms of the Mitigation Agreement ("Site Funds"); funds sufficient to pay its share of the closing costs; and such other documents and instructions as may be required by this Agreement in order to consummate the Closing. If no Site Funds have been received as of the Closing Date, this shall not delay the Closing, and any Site Funds received after the Closing Date (if any) shall be paid to Landowner within thirty (30) days of receipt by the District of such Site Funds. The aforementioned obligation of District to pay Landowner any State Funding shall survive the Closing.

(a) Closing and Recordation. On the Closing Date, the following shall occur, all of which shall be deemed concurrent conditions:

(1) Escrow Holder shall record the Grant Deed and the Declaration of Special Land Use Restrictions, in that order, in the Official Records;

(2) Escrow Holder shall pay all Site Funds held in Escrow, along with all such interest as is earned thereon while in Escrow, to Landowner; and

(3) The Title Company shall issue the Title Policy.

SECTION 6. GENERAL PROVISIONS

6.1 Dispute Resolution. If a dispute arises relating to the interpretation of, enforcement of or compliance with the terms of this Agreement, Landowner and District shall first attempt to resolve such dispute through informal discussions or negotiations. Any Party may convene such discussions by written notice to the other, and shall reasonably accommodate the other Party with respect to scheduling. If the dispute is not resolved in this manner within thirty (30) days following the written notice, it may be referred to non-binding mediation with the consent of all Parties, which non-binding mediation shall be completed within ninety (90) days after the date of the written demand for mediation. Such written demand for non-binding mediation must be made within thirty (30) days following written notice convening informal discussions. The costs of such proceeding shall be borne equally by District and Landowner. Nothing herein shall be construed to limit the Parties' ability to agree to binding arbitration as an alternative to, or upon completion of, the non-binding mediation provided by this Section 6.1 and as an alternative to judicial review, should the Parties mutually consent, in writing, to binding arbitration and the conditions of such binding arbitration. The Parties agree to use reasonable efforts to expedite resolution of any disputes related to this Agreement.

6.2 Default; Specific Performance.

(a) Breach, Default and Cure. Before either Party may declare a Default and take any action based thereon (including, without limitation, commencing any administrative or judicial proceeding), the procedures in this Section 6.2 must be followed. The Party asserting a Default ("Non-Defaulting Party") may elect to do so by providing written notice to the Party alleged to be in Default ("Defaulting Party") specifying the nature of the Default and the actions, if any, to be taken by the Defaulting Party to cure or remedy the Default ("Default Notice"). The Defaulting Party shall have thirty (30) days from receipt of the Default Notice within which to

cure the Default (the "Cure Period") and, if it fails to do so within that period, it shall be deemed in Default, and the Non-Defaulting Party may exercise any rights or remedies available under this Agreement, in equity (including the right to specifically enforce this Agreement pursuant to Section 6.2(b)) or by law; provided, however, that if the nature of the Default is such that it cannot reasonably be cured within thirty (30) days, the Defaulting Party shall be afforded reasonable additional time so long as it commences such cure within the Cure Period and diligently pursues such cure to completion.

(b) Specific Performance. If the Default under this Agreement is in the conveyance of the Tracy Hills #1 Site as and when required under this Agreement ("Conveyance Obligation") in the event an additional sixty (60) days have elapsed following expiration of the applicable Cure Period under Section 6.2(a), the District, shall have the right, in its sole and absolute discretion, to seek specific performance of the obligation as to which the Default exists, provided that the Parties have first met to determine the most efficient and cost-effective manner in which to cure the Default but have been unable to agree upon the appropriate process.

6.3 Survivability. All covenants which are expressly intended hereunder to be performed in whole or in part after the recordation of the Grant Deed and all representations, warranties and indemnities by any Party to any other, shall survive the recordation of the Grant Deed and be binding upon and inure to the benefit of the respective successors and permitted assigns. Any agreements, understandings, warranties or representations not expressly contained herein shall in no way bind any Party. Each Party expressly waives any right of rescission and all claims for damage by reason by any statement, representation, warranty, promise and/or agreement, if any, not contained in or attached to this Agreement.

6.4 Broker's Commission. Each Party represents to the other that to the best of its knowledge, no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with the transactions covered by this Agreement. Each Party agrees to and does hereby indemnify, defend and hold harmless the other from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the indemnifying Party in connection with this transaction.

6.5 Waiver, Consent and Remedies. Any Party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof as to it, but no such waiver shall constitute a further or continuing waiver of any preceding or succeeding breach of the same or any other provision. A waiving Party may at any time thereafter require future compliance by the other Party with any breach or provision so waived. The consent by one Party to any act by any other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a Party or act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, the Parties may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific

performance in the event of a breach hereunder, or may pursue any other remedy by law or equity, whether or not stated in this Agreement.

6.6 Attorneys' Fees. In the event of any action or proceeding instituted between any Parties hereto in connection with this Agreement, the prevailing Party shall be entitled to recover from the losing Party all of its costs and expenses, including court costs, expert fees and reasonable attorneys' fees.

6.7 Notices. Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and (i) delivered in person to the designated representatives identified below, (ii) deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the Party for whom intended, or (iii) deposited with a nationally recognized courier service (i.e., Federal Express), and addressed to the Party for whom intended, as follows:

TO DISTRICT:

Jefferson School District
1219 Whispering Wind Drive
Tracy, CA 95304
Attn: James Bridges, Superintendent

With a copy to:
Atkinson, Andelson, Loya, Ruud & Romo
2151 River Plaza Drive, Suite 300
Sacramento, CA 95833
Attn: Lisa R. Allred

TO LANDOWNER:

Tracy BPS, LLC
c/o Integral Communities
888 San Clemente Drive, Suite 100
Newport Beach, CA 92660
Attn: John Stanek and Caren Read

WITH COPIES TO:

Rutan and Tucker, LLP
18575 Jamboree Road, Suite 900
Irvine, CA 92612
Attn: Hans Van Ligten

Any Party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be deemed fully delivered and received forty-eight (48) hours after mailing as provided above. The Parties agree that any notice required hereunder may be given by such Parties' legal counsel.

6.8 Gender and Number. In this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate.

6.9 Entire Agreement. This Agreement is intended to be read and interpreted in conjunction with the Mitigation Agreement. Subject to the foregoing, this Agreement and its exhibits (all of which are incorporated herein by this reference) constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. With the sole exception of the Mitigation Agreement, all prior agreements, representations, negotiations and understandings of the Parties hereto, oral or written, express or implied, are hereby superseded and merged herein. In the event of an apparent inconsistency or conflict between the provisions of the Mitigation Agreement and the provisions of this Agreement, the Parties shall use their best efforts to harmonize the provisions of the two agreements consistent with their purpose and intent and in a manner that preserves, to the maximum extent possible, all material consideration to both Parties. If, notwithstanding such efforts to harmonize the provisions of the two agreements, there remains an inconsistency or conflict between those provisions, the provisions of this Agreement shall control.

6.10 Captions. The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

6.11 Governing Law; Venue. This Agreement and the exhibits attached hereto have been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California, with a venue for all disputes in San Joaquin County, California.

6.12 Invalidity of Provision. If any provision of this Agreement as applied to any Party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void and unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity of enforceability of the Agreement as a whole.

6.13 Amendments. No addition to or modification of any provisions contained in this Agreement shall be effective unless fully set forth in writing signed by all Parties.

6.14 Counterparts. This Agreement and any modifications, amendments, or supplements thereto may be executed in several counterparts, and all so executed shall constitute one agreement binding on all Parties hereto, notwithstanding that all Parties are not signatories to the original or the same counterpart. The Parties may also deliver executed copies of this Agreement to each other by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. No Party may raise the use of any image transmission device or method or the fact that any signature was transmitted as an image as a defense to the

enforcement of this Agreement. At the request of either Party, the Parties will confirm signatures by signing and delivering an original document.

6.15 Authority to Execute. Each Party warrants that the individual executing this Agreement is duly authorized to execute and deliver this Agreement on behalf of that Party in accordance with its requirements therefor.

6.16 Assignment by District. District's rights under this Agreement may not be assigned or transferred, in whole or in part, to any other Party.

6.17 Time of the Essence. Time is of the essence of each and every obligation of the Parties under this Agreement.

6.18 Independent Contractors. Each Party is an independent contractor and shall be solely responsible for the employment, acts, omissions, control and directing of its employees. Except as expressly set forth herein, nothing contained in this Agreement shall authorize or empower a Party to assume or create any obligation or responsibility whatsoever, express or implied, on behalf of or in the name of the other Party or to bind the other Party or make any representation, warranty or commitment on behalf of any other Party.

6.19 Force Majeure. The obligations of any Party under this Agreement, and all deadlines by which any Party's obligations hereunder must be performed, shall be excused or extended for a period of time equal to any prevention, delay or stoppage in performance which is attributable to any strike, lock-out or other labor or industrial disturbance, regulatory delay, civil disturbance, act of a public enemy, war, riot, sabotage, blockade, embargo, lightning, earthquake, fire, storm, hurricane, tornado, flood, explosion or other delays not reasonably within the control of the Party performing the subject obligation ("Force Majeure"). Any Party relying on a Force Majeure shall give the other Party reasonable notice thereof and the Parties shall use their reasonable, good faith efforts to minimize potential adverse effects from such Force Majeure.

6.20 No Joint Venture. Nothing in this Agreement shall be deemed to create any form of business organization between the Parties, including, without limitation, a joint venture or partnership.

6.21 Rules of Construction. As used in this Agreement, "shall" is mandatory, and "may" is permissive. "Party" or "Parties" means the Parties to this Agreement. "Years" means calendar years. "Days" mean calendar days (January 1 through December 31), unless specified as "business days" herein, which means Monday through Friday of each week except for federal or California state holidays. The Parties acknowledge and agree that each of the Parties and each of the Parties' attorneys have participated fully in the negotiation and drafting of this Agreement. In cases of uncertainty as to the meaning, intent or interpretation of any provision of this Agreement, the Agreement shall be construed without regard to which of the Parties caused, or may have caused, the uncertainty to exist. No presumption shall arise from the fact that particular provisions were or may have been drafted by a specific Party, and prior versions or drafts of this

Agreement shall not be used to interpret the meaning or intent of this Agreement or any provision hereof.

6.22 Costs of Agreements. As an extension of, and necessary part of implementing the terms of this Agreement, Landowner agrees that it will pay District reasonably in advance, and otherwise reimburse District, for all actual costs and fees associated with District's legal counsel and consultants fees attributable to the negotiation, drafting and approval of this Agreement, and all documents related thereto and required to be negotiated, drafted and approved hereunder. District acknowledges and agrees that the funds previously advanced by Landowner to District for Tracy Hills #1 Site pursuant to the School Site Funding Agreement are sufficient to cover all of such actual costs and fees incurred or to be incurred by District.

6.23 Successors and Assigns. Subject to the conditions and limitations set forth in this Section 6.23, all of the covenants, stipulations, promises, and agreements contained in this Agreement by or on behalf of, or for the benefit of, any of the Parties hereto, shall bind or inure to the benefit of the successors and assigns of the respective Parties. Landowner shall not transfer or delegate Landowner's obligations under this Agreement with respect to the conveyance of the Tracy Hills #1 Site ("Conveyance Obligation") without the prior written consent of District, which consent shall not unreasonably be withheld, conditioned, or delayed ("Permitted Delegation"). Upon the effective date of such Permitted Delegation, the Conveyance Obligation described in the instrument of transfer, shall be transferred to and assumed by the transferee and Landowner shall be relieved of the Conveyance Obligation or such funding obligations. Landowner (and Landowner successor(s)) may assign this Agreement, or any or all of such Party's rights or obligations under this Agreement, to a lender who has advanced funds for the Project, as additional security, without the need to obtain any consent of District (except to the extent to which such assignment relieves Landowner of its Conveyance Obligation or binding obligations under this Agreement, for which the consent of the District shall be required, which consent shall not unreasonably be withheld, conditioned, or delayed), but Landowner shall still provide District with written notice following such assignment, within five (5) business days. If during the term of this Agreement, Landowner transfers the Property in whole or in part (provided that no such parcel transfer shall violate the Subdivision Map Act, Government Code section 66410, et seq.) to (i) a person, partnership, joint venture, firm or corporation listed on Exhibit "E" ("List of Builders/Approved Transferees"), or on any subsequent list submitted to and approved from time to time by District during the term of this Agreement (any such person, partnership, joint venture, firm or corporation, an "Approved Assignee"), or (ii) an affiliate of Landowner (a "Landowner Affiliate"), Landowner may also transfer and assign all of Landowner's rights and obligations under this Agreement, including, without limitation, the Conveyance Obligation, to said Approved Assignee or Landowner Affiliate (as applicable) (any such transfer and assignment a "Permitted Assignment"). Upon the effective date of such Permitted Assignment, Landowner shall be relieved of all of its obligations under this Agreement, including, without limitation, the Conveyance Obligation.

6.24 Further Action; Approvals. Each Party agrees to take all further actions reasonably necessary to implement this Agreement. Where this Agreement requires any Party or all Parties to approve, consent, or determine any matter, except to the extent otherwise expressly set forth

herein, such approval, consent or determination shall not be unreasonably withheld, conditioned or delayed.

SECTION 7. DEFINITIONS

"**Agreement**" means this K-8 Purchase and Sale Agreement.

"**AKT**." See Recital C.

"**Appraised Condition**." See Section 2.1(c).

"**Appraised Value**." See Section 2.1(c).

"**Appraiser**." See Section 2.1(c).

"**Approved List**." See Section 2.1(c).

"**Audit**." See Section 2.2.

"**Audit Consultant**." See Section 2.2.

"**Board**" means the Board of Education of the District.

"**CDE**" means California Department of Education. See Section 1.2.

"**Close of Escrow**." See Section 5.5.

"**Closing**." See Section 5.5.

"**Closing Date**." See Section 5.5.

"**Conveyance Obligation**." See Section 6.2(b) and 6.23.

"**Cure Period**." See Section 6.2(a).

"**Declaration of Special Land Use Restrictions**." See Section 5.2(c) and Exhibit C.

"**Default**." See Section 6.2(a).

"**Default Notice**." See Section 6.2(a).

"**Defaulting Party**." See Section 6.2(a).

"**Demand Notice**." See Section 3.4.

"**District**" means the Jefferson School District.

"**District's Knowledge**." See Section 4.1(g).

"**District School Consultant**." See Section 2.1(b).

"**DTSC**" means Department of Toxic Substances Control. See Section 3.1(f)(5) and 3.1(k).

"**Effective Date**" means the date in the first paragraph of this Agreement.

"**Environmental Laws**." See Section 3.1(e).

"**Escrow Holder**." See Section 5.1.

"**Feasibility Period**." See Section 3.1(d).

"**First Amendment**." See Recital C.

"**Force Majeure**." See Section 6.19.

"**Tracy Hills Project**." See Recital B.

"**Grant Deed**." See Section 1.3.

"**Hazardous Materials**." See Section 3.1(e).

"**K-8 School**." See Recital D.

"**Landowner**" means Tracy Phase I, LLC.

"**Landowner's Knowledge**." See Section 4.2(e).

"**Landowner School Consultant**." See Section 2.1(b).

"**List of Builders/Approved Transferees**." See Section 6.23 and Exhibit D.

"**Master Landowner**." See Recital C.

"**Mitigation Agreement**." See Recital C.

"**Natural Hazard Disclosure Report**." See Section 4.3.

"**Natural Hazard Expert**." See Section 4.3.

"**Non-Defaulting Party**." See Section 6.2(a).

"**Original Master Landowner**." See Recital C.

"**Original Mitigation Agreement**." See Recital C.

"**Permits**." See Section 4.1(a).

"**Permitted Delegation**." See Section 6.23.

"**Preliminary Title Report**." See Section 3.1(h).

"**Project**" means the development project described in the Mitigation Agreement.

"**Purchase Price**." See Section 1.3.

"**Regulations**." See Section 4.1(a).

"**SAB**." See Section 3.2(5).

"**School Consultants**." See Section 2.1(b).

"**School Facility Program**" means the State program established pursuant to the School Facilities Act to provide for funding for new construction and modernization of school facilities, as described in Title 2 of the California Code of Regulations, Section 1859 et seq.

"**School Facilities Act**" means the Leroy F. Greene School Facilities Act of 1998, Chapter 12.5 of the Education Code.

"**School Site Funding Agreement**" means that certain School Site Funding Agreement Jefferson School District and The Tracy Hills Project Owner, LLC, dated November 12, 2013, by and between the Jefferson School District and The Tracy Hills Project Owner, LLC.

"**School Site Laws**." See Section 3.1(f).

"**Second Amendment**." See Recital C.

"**Site Acquisition Reimbursement**." See Section 2.1(d).

"**Site Funds**." See Section 5.6.

"**Site Development Reimbursement**." See Section 2.1(d).

"**State**" means State of California.

"**State Approval Date**." See Section 3.1(k).

"**State Approvals**." See Section 3.1(k).

"State Funding" means State funds available to fund the school site acquisition and site development described in this Agreement. See Section 2.1(a).

"**Title Company**." See Section 3.1(i).

"**Title Policy**." See Section 3.1(i).

"**TPI**." See Recital C.

"**TPIB**." See Recital C.

"**TP2**." See Recital C.

"**TP3**." See Recital C.

"**TP4**." See Recital C.

"**Tracy Hills #1 Site**." See Section 1.1.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

Jefferson School District

By:_____
Name: James Bridges
Its: Superintendent

Tracy BPS, LLC

By:_____
Name: John Stanek
Its: Authorized Representative

EXHIBIT A

DEPICTION OF THE SCHOOL SITE

Legal Description

For Proposed 14 Acre School Site

Tracy Hills Project, Tracy, California

Land Description of a parcel of land situate in the City of Tracy, County of San Joaquin, State of California, and being all of Parcel A as shown on the final subdivision map of Tract 3878, filed on January 26, 2018, in Book 43 of Maps and Plats, at Page 17, Official Records of San Joaquin County, and being more particularly described as follows:

Beginning at the northeast corner of Parcel A; **Thence** along the east line of Parcel A, South 40° 10' 13'' West – 601.85 feet to the southeast corner of Parcel A; **Thence** along the south line of Parcel A for the following four (4) courses: (1) North 49° 49' 47'' West – 153.95 feet for the beginning of a curve to the left, from which point the center bears South 71° 35' 39'' West, (2) in a northwesterly direction 72.83 feet along the arc of said curve to the left, having a radius of 75.00 feet and through a central angle of 55° 38' 26'' for a point of reverse curvature, (3) in a northwesterly direction 21.13 feet along the arc of said curve to the right, having a radius of 50.00 feet and through a central angle of 24° 13' 00'', and (4) North 49° 49' 47'' West – 940.73 feet to the southwest corner of Parcel A, and being the beginning of a curve to the right; **Thence** along the west line of Parcel A for the following six (6) courses: (1) in an northerly direction 38.46 feet along the arc of said curve to the right, having a radius of 25.00 feet and through a central angle of 88° 09' 16'', (2) North 38° 19' 29'' East – 231.07 feet for the beginning of a curve to the left, (3) in a northwesterly direction 107.27 feet along the arc of said curve to the left, having a radius of 58.00 feet and through a central angle of 105° 58' 12'', (4) North 30° 10' 31" East – 18.54 feet, (5) South 59° 49' 29" East – 36.35 feet, and (6) South 82° 19' 29" East – 158.76 feet to the northwest corner of Parcel 4; **Thence** along the north line of Parcel A, South 59° 04' 47'' East – 1141.55 feet to the **Point of Beginning.**

Containing 14.03 acres of land area more or less.

EXHIBIT B

Form of Grant Deed

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Jefferson School District
1219 Whispering Wind Drive
Tracy, CA 95304
Attn: Dr. James Bridges, Superintendent

(Space Above For Recorder's Use)

The undersigned grantor(s) declare(s):
This conveyance is exempt from the payment of a documentary transfer tax pursuant to Revenue and Taxation Code section 11922.

This document is being recorded for the benefit of the Jefferson School District and is exempt from the payment of a recordation fee pursuant to Gov. Code section 6103.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Tracy BPS, LLC, a Delaware limited liability company, hereby grants to Jefferson School District, a public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California, that certain real property located in the City of Tracy, State of California, along with all improvements thereon, as described in the legal description attached hereto as Attachment "A," incorporated herein by this reference.

Dated: _____

Tracy BPS, LLC
a Delaware Limited Liability Company
By:_____
Name: John Stanek
Title: Authorized Representative

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 _____, 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)

ATTACHMENT "A" TO GRANT DEED

That certain real property located in the City of Tracy, County of San Joaquin, State of California legally described as follows:

Legal Description

For Proposed 14 Acre School Site

Tracy Hills Project, Tracy, California

Land Description of a parcel of land situate in the City of Tracy, County of San Joaquin, State of California, and being all of Parcel A as shown on the final subdivision map of Tract 3878, filed on January 26, 2018, in Book 43 of Maps and Plats, at Page 17, Official Records of San Joaquin County, and being more particularly described as follows:

Beginning at the northeast corner of Parcel A; **Thence** along the east line of Parcel A, South 40° 10' 13" West – 601.85 feet to the southeast corner of Parcel A; **Thence** along the south line of Parcel A for the following four (4) courses: (1) North 49° 49' 47" West – 153.95 feet for the beginning of a curve to the left, from which point the center bears South 71° 35' 39" West, (2) in a northwesterly direction 72.83 feet along the arc of said curve to the left, having a radius of 75.00 feet and through a central angle of 55° 38' 26" for a point of reverse curvature, (3) in a northwesterly direction 21.13 feet along the arc of said curve to the right, having a radius of 50.00 feet and through a central angle of 24° 13' 00", and (4) North 49° 49' 47" West – 940.73 feet to the southwest corner of Parcel A, and being the beginning of a curve to the right; **Thence** along the west line of Parcel A for the following six (6) courses: (1) in an northerly direction 38.46 feet along the arc of said curve to the right, having a radius of 25.00 feet and through a central angle of 88° 09' 16", (2) North 38° 19' 29" East – 231.07 feet for the beginning of a curve to the left, (3) in a northwesterly direction 107.27 feet along the arc of said curve to the left, having a radius of 58.00 feet and through a central angle of 105° 58' 12", (4) North 30° 10' 31" East – 18.54 feet, (5) South 59° 49' 29" East – 36.35 feet, and (6) South 82° 19' 29" East – 158.76 feet to the northwest corner of Parcel 4; **Thence** along the north line of Parcel A, South 59° 04' 47" East – 1141.55 feet to the **Point of Beginning.**

Containing 14.03 acres of land area more or less.

EXHIBIT C

DECLARATION OF SPECIAL LAND USE RESTRICTIONS

(Attached)

EXHIBIT D

ENTRY PERMIT

THIS ENTRY PERMIT (this "Permit"), dated as of _____, 2020, is made by and between TRACY BPS, LLC, a Delaware limited liability company ("Owner"), and JEFFERSON SCHOOL DISTRICT, a California public school district ("District"). The District and Owner may also hereinafter be referred to individually as a "Party" and collectively as the "Parties."

R E C I T A L S

A. Owner owns that certain real property located in the City of Tracy, County of San Joaquin, State of California, as more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

B. District is evaluating the feasibility of constructing a future school on the Property. Such evaluation includes certain geotechnical testing prior to new school construction.

C. In furtherance of the District's geotechnical testing, the District desires to enter the Property for the purposes set forth in this Permit and for no other purpose.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and District hereby agree as follows:

1. **Term of Permit**. This Permit shall commence as of the date hereof and shall continue until the earlier of: (i) sixty (60) days from the date hereof or (ii) the date District's geotechnical testing is completed.

2. **License to Enter Property**. Subject to the conditions hereafter stated, Owner shall allow District and District's officers, directors, members, partners, employees, agents, representatives, consultants and contractors ("District's Representatives") access to the Property for the term of this Permit, provided: (a) Owner shall have the right to be present during District's access to the Property; and (b) Owner shall have the right to pre-approve (in Owner's sole and absolute discretion) any physically intrusive testing of the Property.

3. **Use of License**. In conducting any inspections, investigations or tests of the Property, District and District's Representatives shall: (i) not materially interfere with the business, operation and maintenance of the Property; (ii) not damage any part of the Property;

(iii) not injure or otherwise cause bodily harm to Owner or its agents, guests, invitees, tenants, contractors and employees; (iv) comply with all applicable laws; (v) promptly pay when due the costs of all tests, investigations and examinations done with regard to the Property; (vi) not permit any liens to attach to the Property by reason of the exercise of its rights hereunder; (vii) repair any damage to the Property resulting directly or indirectly from any such inspections or tests; (viii) not reveal or disclose any information obtained as a result of any inspections, investigations or tests concerning the Property, except in accordance with the confidentiality standards set forth in Section 6 below. Should District or District's Representatives, cause or permit any lien to be incurred against the Property, District shall cause the removal thereof, and furnish Owner with proof of such removal, within ten (10) business days after receiving notice thereof. District shall provide Owner with at least two (2) business days' prior notice (which notice may be written or telephonic) prior to any such entry which advises Owner of the identity of those persons/parties who will be entering upon the Property and the purpose of such entry.

4. **Insurance**. Prior to entering the Property or performing any inspection, investigation or test, District must deliver a certificate of insurance to Owner evidencing that District and District's Representatives have in place (and which District and District's Representatives shall maintain during the pendency of this Permit): (a) worker's compensation insurance in compliance with applicable law, (b) commercial general liability insurance including premises/operations liability, personal and advertising liability, and products/completed operations coverage, with a combined single limit of $2,000,000 for bodily injury and property damage and $2,000,000 per occurrence for contractual coverage, and (c) automobile liability insurance in an amount not less than $2,000,000 covering all automobiles, including owned, hired and non-owned liability coverage, and equipment owned and/or operated by District and District's Representatives in connection with entry on the Property. The liability policies described herein shall: (i) name Owner, Goldman Sachs Bank USA, J.P. Morgan Securities PLC, Bank of New York Mellon, N630AA LLC, and Sequoia IDF Asset Holdings S.A. (collectively, "Lender"), and any other Parties reasonably designated by Owner in writing prior to District's entry on the Property as additional insureds and (ii) include in the policy form or via endorsement that the insured's coverage is primary and any other coverage maintained by the additional insureds shall be non-contributing. All such insurance shall be issued by insurance companies admitted or authorized to do business in California and whose rating is the most recent AM Best's Rating of A-VII or better and shall contain provisions that the issuing insurance companies waive the rights of recovery or subrogation against Owner. District shall endeavor to provide Owner thirty (30) days' notice of cancelation or material change to coverage.

5. **Indemnification**. District hereby agrees to indemnify, defend, and hold (a) Owner; (b) any affiliates of Owner; (c) any officer, director, trustee, member, manager, partner, employee or representative of Owner or such affiliates ((b) and (c) being collectively referred to as the "Owner Parties"); and (d) Lender free and harmless from and against any and all losses, costs, damages, claims, liabilities, defects, fees, penalties, fines, expenses, demands or obligations of any kind or nature whatsoever (collectively, "Liabilities") (including reasonable attorneys' fees, expenses and disbursements) to the extent arising out of or resulting from District's or District's Representatives' negligent entry on the Property and/or the negligent conduct of any inspections, investigations or tests on the Property by District or any of District's Representatives. The foregoing indemnity shall survive the termination of this Permit. The

foregoing indemnity does not include or extend to: (a) the pre-existing presence or discovery of hazardous materials or any other pre-existing condition of the Property; (b) the results or findings of any tests, studies or reports resulting from or related to any inspections; (c) the effect of any governmental action which results from such tests, studies or reports; or (d) the acts or omissions of the Owner Parties.

6. **Confidentiality**. District acknowledges that any information about Owner has been and will be delivered solely to assist District in evaluating the Property. District shall not disclose the results of any investigations, inspections or tests performed by District with respect to the Property, except (a) to any persons who are assisting District in evaluating the Property and who have agreed to preserve the confidentiality of such information as required hereby; (b) as required by law, including but not limited to the provisions of the California Public Records Act; (c) if the contents are within the public domain; (d) if the contents have been disclosed by third Parties to District not in violation of this section; or (e) as necessary to District obtaining the approvals on the Property.

7. **Miscellaneous**.

7.1 Notices. Any notice which either Party may desire to give to the other Party must be in writing and shall be effective (i) when personally delivered by the other Party or by messenger or courier; (ii) three (3) business days after deposit in the United States mail, registered or certified; (iii) twenty-four (24) hours after deposit before the daily deadline time with a reputable overnight courier or service; or (iv) upon receipt of an electronic mail or fax transmission (as evidenced by a computer generated receipt confirming a successful transmission), provided a hard copy of such transmission shall be thereafter delivered in one of the methods described in the foregoing (i) through (iii); in each case postage fully prepaid and addressed to the respective Parties as set forth below or to such other address and to such other persons as the Parties may hereafter designate by written notice to the other Parties hereto:

If to District:

Jefferson School District
1219 Whispering Wind Drive
Tracy, CA 95304
Attention: James Bridges, Ed.D.
Telephone: (209) 836-3388
Facsimile: (209) 836-2930
Email: jbridges@sjcoe.net

With copies to:

Atkinson, Andelson, Loya, Ruud & Romo
10 River Park Place East, Suite 240
Fresno, California 93720
Attention: David A. Soldani
Telephone: (559) 221-2869

Facsimile: (559) 225-_3416
Email: dsoldani@aalrr.com

If to Owner:

Tracy BPS, LLC
c/o Integral Communities
888 San Clemente, Suite 100
Newport Beach, CA 92660
Attention: John Stanek and Caren Read, Esq.
Telephone: (949) 720-3612
Facsimile: (949) 720-3613
E-Mail: jstanek@integralcommunities.com
cread@integralcommunities.com

With copies to:

Rutan & Tucker, LLP
18575 Jamboree Road, Suite 900
Irvine, CA 92612
Attention: Hans Van Ligten
Telephone: (714) 662-4640
Facsimile: (714) 546-9035
E-Mail: hvanligten@rutan.com

7.2 Time of the Essence. Time is of the essence of this Permit and each and every term and provision hereof.

7.3 Interpretation; Governing Law. This Permit shall be construed as if prepared by both Parties. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Permit against the Party that has drafted it is not applicable and is waived. This Permit shall be construed, interpreted and governed by the laws of the State of California and the laws of the United States of America prevailing in California.

7.4 Severability. If any provision of this Permit, or the application thereof, shall for any reason and to any extent be invalid or unenforceable, the remainder of this Permit and application of such provision to other circumstances, shall be interpreted so as best to reasonably effect the intent of the Parties hereto.

7.5 Attorneys' Fees. In the event of any dispute, legal action or other proceeding between the Parties regarding or arising out of this Permit (an "Action"), the prevailing Party shall be entitled to the payment by the losing Party of its reasonable attorneys' fees, court costs and litigation expenses, as determined by the court.

7.6 Entire Agreement; Amendments. This Permit, together with the other written agreements referred to herein, is intended by the Parties to be the final expression of their

agreement with respect to the subject matter hereof, and is intended as the complete and exclusive statement of the terms of the agreement between the Parties. As such, this Permit supersedes any prior understandings between the Parties, whether oral or written. Any amendments to this Permit shall be in writing and shall be signed by all Parties hereto.

7.7 No Waiver. No delay on the part of any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any Party hereto of any right, power or privilege hereunder operate as a waiver of any other right, power or privilege hereunder, nor shall any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

7.8 Assignment. District shall not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of Owner.

7.9 Binding Effect. This Permit shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, representatives, successors and permitted assigns.

7.10 Headings; Cross-References; Exhibits. The headings and captions used in this Permit are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Permit.

7.11 Survival. All covenants and obligations contained in this Permit which imply or require performance after its termination (including without limitation all provisions regarding indemnity, release, and insurance) shall survive any such termination.

7.12 Execution in Counterpart. This Permit and any modifications, amendments or supplements thereto may be executed in several counterparts, and all so executed shall constitute one agreement binding on all Parties hereto, notwithstanding that all Parties are not signatories to the original or the same counterpart. The Parties may also deliver executed copies of this Permit to each other by electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. No Party may raise the use of any image transmission device or method or the fact that any signature was transmitted as an image as a defense to the enforcement of this Permit. At the request of either Party, the Parties will confirm signatures by signing and delivering an original document.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the Parties hereto have executed this Permit as of the date first above written.

OWNER:

TRACY BPS, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

DISTRICT:

JEFFERSON SCHOOL DISTRICT,
a California public school district

By: _____
Name: _____
Title: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

Legal Description

For Proposed 14 Acre School Site

Tracy Hills Project, Tracy, California

Land Description of a parcel of land situate in the City of Tracy, County of San Joaquin, State of California, and being all of Parcel A as shown on the final subdivision map of Tract 3878, filed on January 26, 2018, in Book 43 of Maps and Plats, at Page 17, Official Records of San Joaquin County, and being more particularly described as follows:

Beginning at the northeast corner of Parcel A; **Thence** along the east line of Parcel A, South 40° 10' 13" West – 601.85 feet to the southeast corner of Parcel A; **Thence** along the south line of Parcel A for the following four (4) courses: (1) North 49° 49' 47" West – 153.95 feet for the beginning of a curve to the left, from which point the center bears South 71° 35' 39" West, (2) in a northwesterly direction 72.83 feet along the arc of said curve to the left, having a radius of 75.00 feet and through a central angle of 55° 38' 26" for a point of reverse curvature, (3) in a northwesterly direction 21.13 feet along the arc of said curve to the right, having a radius of 50.00 feet and through a central angle of 24° 13' 00", and (4) North 49° 49' 47" West – 940.73 feet to the southwest corner of Parcel A, and being the beginning of a curve to the right; **Thence** along the west line of Parcel A for the following six (6) courses: (1) in an northerly direction 38.46 feet along the arc of said curve to the right, having a radius of 25.00 feet and through a central angle of 88° 09' 16", (2) North 38° 19' 29" East – 231.07 feet for the beginning of a curve to the left, (3) in a northwesterly direction 107.27 feet along the arc of said curve to the left, having a radius of 58.00 feet and through a central angle of 105° 58' 12", (4) North 30° 10' 31" East – 18.54 feet, (5) South 59° 49' 29" East – 36.35 feet, and (6) South 82° 19' 29" East – 158.76 feet to the northwest corner of Parcel 4; **Thence** along the north line of Parcel A, South 59° 04' 47" East – 1141.55 feet to the **Point of Beginning.**

Containing 14.03 acres of land area more or less.

EXHIBIT E

LIST OF BUILDERS/APPROVED TRANSFEREES

The following entities and any of their affiliates or related entities.

- Lennar Homes of California, Inc.
- DR Horton
- Brandywine
- Pulte Group
- NVR
- Taylor Morrison
- Hovnanian Enterprises
- Beazer Homes
- MDC Holdings
- M/I Homes
- Tri Pointe Homes
- New Home Company
- Capital Pacific Homes
- KB Home
- Meritage Homes
- Toll Brothers
- Shea Homes
- William Lyon Homes
- Brookfield Homes
- Olson Companies
- Woodside Homes
- Warmington Homes
- JMC Homes
- Signature Homes

EXHIBIT F

PUBLIC AGENCY CERTIFICATE OF ACCEPTANCE
(Government Code section 27281)

This is to certify that the interest in real property conveyed by the Grant Deed, dated _____, _____, from Tracy BPSI, LLC, a Delaware limited liability company, to Jefferson School District, a public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California ("Grantee"), is hereby accepted by the undersigned officer on behalf of the Grantee, pursuant to authority conferred by the California Constitution and by governing board action of the Grantee, and the Grantee consents to recordation thereof by its duly authorized officer.

Dated: _____ JEFFERSON SCHOOL DISTRICT

By: _____

Its: _____