

CONFIDENTIAL, NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIAL, NON-DISCLOSURE AGREEMENT (this “Agreement”) is entered by and between each of the parties signing this Agreement (collectively, the “Parties” and each, individually, a “Party”).

1. Representations. (“Seller”) represents that it is the owner and seller of the property known as South Coast Audi and South Coast Volkswagen, located at, 1425 & 1450 Auto Mall Drive, Santa Ana CA 92705 (the “Property”) and that Marcus & Millichap (“M&M”) is Seller’s exclusive listing agent for the Property. The party signing this Agreement below as Prospective Purchaser represents that it is a prospective purchaser of the Property (“Prospective Purchaser”).

2. Purpose. Each Party, as a “Disclosing Party”, may disclose certain Confidential Information (as defined herein) to any other Party, as a “Recipient”, for the limited purpose of evaluating a potential transaction between Seller and Prospective Purchaser relating to the Property (a “Potential Transaction”).

3. Confidential Information. As used herein, “Confidential Information” means any non-public information disclosed by a Disclosing Party pertaining to the Potential Transaction, whether before or after Recipient’s signature to this Agreement, together with all notes, summaries, analyses, calculations, compilations, or other documents or materials, including copies thereof, containing, reflecting, or derived therefrom, including, but not limited to: (i) the existence and terms of this Agreement and the fact that the Parties are or may be discussing a Potential Transaction, (ii) the names and addresses of Disclosing Party’s customers, tenants, lessees, employees, employee applicants, affiliates, shareholders, investors, lenders, officers, directors, partners, managers, or members (collectively, the “Protected Parties”); (iii) any financial information relating to the Disclosing Party or the Protected Parties, including, without limitation, historical financial information, financial projections, budgets, models, plans, and market studies; (iv) trade secrets; (v) all correspondence, memoranda, files, manuals, books, financial lists, operating or marketing records, and customer and vendor records relating to the Disclosing Party or the Protected Parties; and (vi) any information marked or designated “Confidential”. Notwithstanding the foregoing, Confidential Information shall not include information that: (i) was in the Recipient’s prior possession and not otherwise subject to any known obligation of confidentiality or non-disclosure; (ii) becomes publicly available other than as a result of any breach of this Agreement by Recipient; (iii) has been or is developed by or for Recipient without reference to any Confidential Information; or (iv) is disclosed by a third party without restriction and, to the knowledge of Recipient, without violation of any obligation of confidentiality.

4. No Representations or Warranties; No License Granted. Prospective Purchaser acknowledge and agree that any and all Confidential Information disclosed by Seller or M&M contains brief, selected information pertaining to the Property and the business conducted at the Property and has been prepared by Seller and/or M&M primarily from information supplied by Seller or Seller’s Representatives (as defined below), but which neither Seller nor M&M has verified for accuracy or completeness. Any projections, assumptions, estimates or opinions contained therein are for example only and do not purport to make any representation about the current or future performance of the Property or results to be achieved by Prospective Purchaser as a result of purchasing the Property. The Confidential Information does not purport to be all-inclusive or contain all the information that may be necessary or appropriate for a prospective purchaser to consider. Neither Seller nor M&M makes any representation or warranty hereunder or otherwise, expressed or implied, as to the accuracy or completeness of the Confidential Information, and no legal liability is assumed or to be implied with respect thereto. Recipient is solely responsible for any reliance it places on the Confidential

Information. The Confidential Information shall remain the property of Disclosing Party and no rights to use, license or otherwise exploit the Confidential Information are granted hereunder. In addition, Seller and Prospective Purchaser each acknowledge that it will make its own analysis and decision with respect to its decision to evaluate and/or enter into a Potential Transaction and/or commit any of its resources thereto. As used herein, “Representatives” means the partners, employees, officers, directors, managers, members, shareholders, lenders, attorneys, and/or accountants directly or indirectly acting for a Party.

5. **Property Being Sold “As Is”:** Prospective Purchaser acknowledges and agrees that the Property is being sold in an “as is” condition, without representation or warranty of any kind, expressed or implied, oral or written, concerning the Property or any matter related thereto, including, without limitation, zoning, availability of access or utilities, the presence and location of asbestos, PCB transformers, other toxic, hazardous or contaminated substances, or underground storage tanks (“Hazardous Materials”) in, on, or about the Property. Upon written consent by Seller, Prospective Purchaser shall be allowed to make reasonable independent investigations of the Property by its own experts, at its own expense. **Prospective Purchaser expressly (a) disclaims any representations and/or warranties regarding the condition of the Property by Seller or M&M and any reliance thereon by Prospective Purchaser and (b) waives and releases any and all claims against Seller and M&M, of any kind or nature, whether in contract, tort, or otherwise, for failing to disclose to Prospective Purchaser any condition of the Property.** Prospective Purchaser agrees to rely solely on its own independent investigation, analysis, appraisal and evaluation of the facts and circumstances concerning the Property in determining whether to purchase the Property.

6. **Restrictions on Use and Disclosure.** Recipient shall hold the Confidential Information in strict confidence and shall not directly or indirectly disclose any Confidential Information to, or permit any inspection or copying thereof by, any third-party except as expressly permitted herein. Recipient agrees that it shall use the Confidential Information solely for the limited purpose of evaluating the Potential Transaction and not for the benefit of any third party or in any manner adverse to the Disclosing Party. Recipient may disclose Confidential Information to those of Representatives who have a need to know such information for the limited purpose of evaluating the Potential Transaction and only after such Representatives agree to comply with the terms of this Agreement. Recipient shall be responsible for any breach of this Agreement by any of its Representatives. For the sake of clarity, no Confidential Information may be disclosed to Prospective Purchaser or to Seller unless and until such Party signs and delivers a copy of this Agreement to the Disclosing Party. Notwithstanding the foregoing, if Recipient or its Representative becomes obligated under any applicable law, regulation or legal process (including by deposition, interrogatory, request for documents, subpoena, civil investigation, demand, order or similar process) to disclose Confidential Information, Recipient shall, to the extent legally permissible, promptly provide Disclosing Party with notice thereof so as to permit the Disclosing Party, in its sole discretion and at its cost, to seek a protective order or other appropriate remedy. Recipient and its Representatives shall reasonably cooperate with the Disclosing Party, at the expense of the Disclosing Party, in connection therewith; provided, however, in no event shall Recipient or its Representatives be required to take, or refrain from taking, any action which, in the opinion of their counsel, would subject Recipient or its Representatives to the risk of being sanctioned or held in contempt of court or other violation of the law. Recipient agrees not to communicate with any tenants, governmental authorities, service providers or other parties with a contractual relationship to the Property, except in the ordinary course of business, unrelated to the potential sale of the Property, without the prior written consent of Seller, which may be given or withheld in Seller’s sole discretion.

7. **Termination of Discussions; Non-Binding Promises.** No oral or written representation, promise, proposal, or offer made by any Party shall be binding unless and until Seller and Prospective Purchaser execute and deliver a final, definitive agreement transferring ownership of the Property to

Prospective Purchaser which incorporates any such representation, promise, proposal, and/or offer (a “Final Agreement”). Any party may, for any reason at any time prior to the execution and delivery of a Final Agreement, terminate discussions or negotiations between them without any liability therefor.

8. Return/Destruction of Confidential Information. Within seven (7) business days after request from the Disclosing Party, Recipient shall return to the Disclosing Party all hard copies of any Confidential Information in the possession or control of Recipient or its Representatives and certify in writing to the destruction of all Confidential Information stored in electronic or digital format; provided, however, Recipient shall not be required to destroy any Confidential Information that is stored on archival or disaster recovery databases which is not readily accessible to employees outside the IT department of the party having possession or custody of such information. Notwithstanding the foregoing, Recipient and its Representatives shall continue to be bound by its obligations of confidentiality hereunder with respect to any Confidential Information not destroyed or returned.

9. Indemnification. Recipient agrees to defend, indemnify, and hold the Disclosing Party harmless against any and all claims, demands, and causes of action and all liabilities, losses, damages, penalties, and obligations of any kind or nature whatsoever, including, without limitation, reasonable attorneys’ fees, costs, and disbursements incurred or suffered by or imposed on the Disclosing Party as a result of the breach of any obligations, representations, or warranties under this Agreement by Recipient or any of its Representatives.

10. No Adequate Remedy at Law. Recipient agrees that the conditions of this Agreement and the Confidential Information are of a special, unique, and extraordinary character, that the Disclosing Party would be irreparably harmed by any disclosure of the Confidential Information in violation of this Agreement or by the use of the Confidential Information for any purpose other than the limited purpose of evaluating the Potential Transaction. Recipient agrees that, in addition to all other remedies provided at law or in equity, the Disclosing Party shall be entitled to injunctive relief in the event of any breach or threatened breach of this Agreement without any obligation to post a bond or other security. The existence of any claim, demand, action, set-off, counterclaim, or cause of action by Recipient against the Disclosing Party or any other person shall not constitute a defense to the enforcement by the Disclosing Party of this Agreement.

11. Miscellaneous. This Agreement sets forth the entire Agreement between the Parties with respect to the subject matter hereof and supersedes and cancels any and all prior agreements between the Parties, express or implied, relating to the subject matter hereof. This Agreement may not be amended or modified in any respect except by a written instrument signed by all of the Parties. This Agreement shall be binding upon and inure to the benefit of the Parties, and their respective successors or assigns; provided, however, Recipient may not assign this Agreement or any right under this Agreement without the prior written consent of Seller. The paragraph headings used herein are for convenience only and shall not be used or considered in interpreting this Agreement. This Agreement shall be interpreted in accordance with the laws of the state in which the Property is located, without reference to its conflict of laws rules. In the event of any dispute arising hereunder, the substantially prevailing party shall recover its reasonable attorneys’ fees, costs, and disbursements, from the non-prevailing party. No provision of this Agreement shall be deemed to have been waived, except if such waiver is contained in a written instrument executed by the Party against whom such waiver is to be enforced. No waiver by a Party of any term or condition of this Agreement shall constitute a waiver by such Party of any prior, concurrent or subsequent breach or default of the same or any other term or condition of this Agreement. In the event that any part of this Agreement shall be held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be reformed by the court, provided, however, that if such provision cannot be reformed, it shall be severed from this Agreement and the remaining portions of the Agreement shall be valid and enforceable. This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same

agreement. The Parties agree that signatures transmitted by facsimile shall be binding as if they were original signatures. Except with respect to intentional or grossly negligent acts or omissions, no Party hereto shall be liable for consequential, special or punitive damages arising out of any breach of this Agreement.

ACKNOWLEDGED AND AGREED:

SELLER'S BROKER:

MARCUS & MILLICHAP

By: _____
Orbell Ovaness – Senior Managing Director

By: _____
Ara Rostamian – Senior Director

Date: _____

PROSPECTIVE PURCHASER:

By: _____

Name: _____

Company: _____

Date: _____