

FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This Fourth Amendment to Purchase and Sale Agreement and Escrow Instructions ("**Fourth Amendment**"), dated and effective as of May 9, 2018 ("**Effective Date**"), is entered into by and between Ramona Chace, LLC, a California limited liability company ("**Seller**"), and The Schussing Company, Inc., a California corporation ("**Schussing**"), with the consent and joinder of Mosssdale Landing Apartments, LLC, a California limited liability company ("**Mosssdale**"), who collectively agree as follows:

1. Purchase Agreement and Related Amendments. This Fourth Amendment is made with reference to that certain Purchase and Sale Agreement and Escrow Instructions dated and effective as of March 14, 2018 by and between Seller and Schussing ("**Original Agreement**"), as amended by a "**First Amendment**" thereof dated March 27, 2018, as further amended by a "**Second Amendment**" thereof dated March 28, 2018, and as further amended by a "**Third Amendment**" thereof dated April 16, 2018, as consented to and joined by Mosssdale (collectively, the "**Agreement**"). Capitalized terms used herein have the most recently amended and restated meanings ascribed to such terms in the Agreement, unless and except otherwise defined (or redefined) herein. The preamble above and each attached exhibit hereto is a material part hereof, is incorporated by reference, and is enforceable pursuant to the Agreement as modified by this Fourth Amendment. This Section survives the Close of Escrow.

2. Amendment Regarding Partial Payment.

(a) Notwithstanding any other provision of the Agreement, and provided that there is no Event of Default or event which with the passage of time or notice, or both, would be an Event of Default under the Financing Documents, Seller agrees that if, after the Closing, Buyer pays to Seller the amount of Two Million Fifty Two Thousand Five Hundred Fifty Seven Dollars (\$2,052,557), plus all accrued and unpaid interest thereon pursuant to the terms of the Note (collectively, the "**Partial Note Payoff**"), which Partial Note Payoff is to be credited against the Financed Amount evidenced by the Note, then Seller agrees to release and reconvey, as appropriate, the liens of the Financing Documents.

(b) In the event of a Partial Note Payoff, the remaining balance due to Seller under the Note shall be secured by: (i) all of the obligations of Buyer (therein referenced as, "Assignee") arising under the Roadway Obligation Agreement attached as *Exhibit B* and (ii) all right, title and interest in and to the Sewer Allocation, which shall be remain the sole property of Seller for all purposes until such time as the Financed Amount and all interest accrued thereon has been paid in full, at which time Seller shall assign and transfer the Sewer Allocation to Buyer as further set forth in Section 10.4(a) of the Agreement, as last amended and restated.

(c) Additionally, if (i) the City agrees to modify its current Approved Project sewer allocation confirmation letter, most recently revised as of March 20, 2018, and otherwise agrees to allow Seller to assign and delegate and Buyer to accept and assume all of the obligation and rights with respect to the Nurisso Pond bond payment obligation ("**Nurisso Obligation**"), on terms and conditions acceptable to Buyer, Seller and City, and (ii) provided that Buyer first makes the Partial Note Payoff and (iii) Buyer concurrently agrees to assume all of the Nurisso Obligation, then (iv) upon Buyer's written request and full execution of all appropriate documents (A) Seller will, upon payment of all accrued but not yet paid interest arising under the Note, deem and treat for all purposes of the Note, Buyer's assumption of the Nurisso Obligation, without regard to the actual amount thereof, even if greater than the principal balance due under the Note, all without any rights of offset, reduction, rebate, refund or credit in favor of Buyer, as Buyer's payment in full of the Financed Amount as evidenced by the Note, (B) Seller will assign to Buyer a portion of the Sewer Allocation in the amount of the 25,880 GPD of prepaid and owned sewer rights to Buyer (the "**Prepaid Sewer Capacity**"), and (C) Seller will delegate to Buyer and Buyer will accept, assume and agree to satisfy the Nurisso Obligation, and conditionally will assign to Buyer the right to acquire 8,800 GPD of sewer capacity (the "**Nurisso Sewer Capacity**").

3. Amendment Regarding Nurisso Obligation. In the event that Buyer makes the Partial Note Payoff, as further set forth in Section 2(a) above and assumes the Nurisso Obligation as set forth in Section 2(c) above, then Buyer agrees as follows:

(a) Buyer is solely responsible (i) to combine the Prepaid Sewer Capacity and the Nurisso Sewer Capacity (collectively, comprising the Sewer Allocation as defined in the Agreement) as part of the Approved Project and (ii) to allocate the Sewer Allocation to the Property, all without cost or obligation on Seller's part, other than Seller's de minimis, cost-free, risk-free cooperation, if and as required. The Sewer Allocation has been determined based on usage calculations furnished by the City and is subject to change by the City at any time, a determination that Buyer agrees is beyond Seller's control.

(b) As of the Effective Date hereof, the amount of the Nurisso Obligation is estimated to be Five Hundred Forty Seven Thousand Four Hundred Forty Four Dollars (\$547,444), but is subject to change until paid in full. The Nurisso Obligation will incur interest and may include other charges as determined by the City until such amount is paid in full, all of which Buyer agrees is beyond Seller's control. Buyer agrees to pay the Nurisso Obligation in full no later than May 15, 2020 ("**Nurisso Bond Deadline**"); Buyer's failure to do so will constitute a default hereunder. Seller disclaims and makes no representation or warranty as to the actual amount of the Nurisso Obligation at the time that Buyer is required (or elects, if sooner) to pay the Nurisso Obligation.

(c) If Buyer fails to pay in full the Nurisso Obligation on or before the Nurisso Bond Deadline, then pursuant to this Section and without any requirement that further documentation be executed: (i) Buyer shall have no further right, title or interest

in or to all or any of the Nurisso Sewer Capacity, notwithstanding any conditional assignment thereof; (ii) Buyer shall assign to Seller or as Seller directs any and all Nurisso Sewer Capacity rights conditionally assigned to Buyer, and (iii) because of the failure of the assignment condition, if requested by Seller, Buyer will execute all documents and, with diligence and in good faith, take all other steps necessary to transfer (or otherwise restore) to Seller, and Seller will assume, the right thereafter to pay the Nurisso Obligation and, upon doing so, to use or allocate the Nurisso Sewer Capacity in Seller's sole discretion. This provision shall survive the Closing.

4. Delivery of Closing Documents to Escrow. Notwithstanding any provision of the Agreement, including, without limitation, Sections 2.12, 10.2 and 10.3 of the Agreement, as most recently amended, Buyer and Seller agree that the Closing Documents, including, without limitation, all Financing Documents, all Assignment Documents, the DA Assignments (as defined below), and all documents reasonably required by Escrow Holder to Close, shall be executed, acknowledged, as applicable, and deposited into Escrow not later than 5:00PM on Friday, May 11, 2018.

5. Delivery of Closing Payment. Notwithstanding any provision of the Agreement, including, without limitation, Sections 2.13, 5.5 or 10.3 of the Agreement, as most recently amended, Buyer will deposit into Escrow, so that such funds are received by Escrow as immediately available, "good funds," the Closing Payment no later than later than 11:59 a.m. (i.e., before noon) on Monday, May 14, 2018.

6. Amendment of Section 10.4. Section 10.4 is amended to add Section 10.4(e) as follows:

(e) City Participation. The exercise and realization of the rights, obligations and matters that are the subject of the City Settlement Documents and Development Documents, including without limitation, the Sewer Allocation rights, are subject to the ongoing (including post-Closing) cooperation of the City and the City's performance of the City's obligations set forth in the City Settlement Documents and Development Documents. Seller makes no representations, warranties or covenants regarding the City's approval, confirmation or cooperation with respect to such matters. Buyer knowingly assumes all risks with respect to such matters. Buyer agrees to Indemnify (as defined in Section 6.5 of the Original Agreement) Seller with respect to all claims, losses, damages and expenses arising from or related to the City's approval, confirmation or cooperation (or its refusals) with respect to such matters. This provision survives the Closing.

7. Updated, New Documents. Buyer and Seller agree: (a) the Note previously approved is replaced in its entirety with the form of agreement attached hereto as **Exhibit A**; (b) the Roadway Obligation Agreement previously approved is replaced in its entirety with the form of agreement attached hereto as **Exhibit B**; and (c) the Assignment of Rights and Delegation of Duties Pursuant to Purchase Agreement attached hereto as **Exhibit C**. This approval of the revised Note and Roadway

Obligation Agreement amends and supersedes without invalidating or in any way impairing and, in all other respects, affirms the validity of the prior Feasibility Contingency Waiver included in the Third Amendment.

8. Cooperation with Assignment of Development Agreement. Buyer agrees post-Closing to use its best efforts and to cooperate fully and in good faith with Seller in connection with processing and obtaining the approval of the City of the (a) Assignment and Assumption Agreement of a Portion of the Development Agreement by and between the City of Lathrop, Marie A. Vallentyne, and TCN Properties Regarding the Mossdale Landing South Project and (b) Assignment and Assumption Agreement for a Portion of the Development Agreement by and between the City of Lathrop, Watt-McKee LLC, Lathrop Associates, Steven R. McKee Robert E. McKee 1997 Bypass Trust and Western Pacific Housing Inc. Regarding the Mossdale Landing East Project (collectively, the “**DA Assignments**”), including, without limitation, by promptly providing information and materials as requested by the City and/or Seller, by accepting and agreeing to accept and be bound by commercially reasonable changes that are proposed, if any, and, post-Closing, once the final form of the DA Assignments has been approved by Seller and the City, with prompt execution and delivery of the DA Assignments. Buyer agrees to Indemnify (as defined in Section 6.5 of the Original Agreement) Seller with respect to all claims, losses, damages and expenses arising from or related to Buyer’s breach of its performance obligations including, without limitation, of cooperation with respect to the DA Assignments. This provision survives the Closing.

9. Additional Effects of Amendment.

(a) Except as expressly set forth in this Fourth Amendment, the terms of the Agreement shall remain unchanged and in full force and effect, and the terms of the Agreement as hereby modified are ratified and affirmed. All rights, remedies, powers and interest provided in this Fourth Amendment are in addition to the rights, remedies, powers and interests provided in the Agreement, the terms and provisions of which are incorporated herein by this reference. If and to the extent that any term or provision hereof is inconsistent with any term or provision of the Agreement, this Fourth Amendment is controlling and superseding and shall prevail.

(b) The Feasibility Contingency Waiver included in Section 2 of the Third Amendment is affirmed, updated and hereby approved to include as the “**Amended Feasibility Contingency Waiver**”: (i) each exhibit attached hereto; (ii) each document described in the Third Amendment Feasibility Waiver, as updated and amended; and (iii) all performance obligations completed pursuant to the Agreement from the effective date of the Third Amendment through and including the Effective Date of this Fourth Amendment. If, and to the extent the Amended Feasibility Contingency Waiver and the Feasibility Contingency Waiver are inconsistent, the Amended Feasibility Waiver is controlling for all purposes of the Agreement as hereby amended.

(c) Pursuant to Section 15 of the Original Agreement (as included in the Third Amendment), and effective as of the Closing Date, Schussing assigns its rights and delegate its obligations hereunder and under all documents having their roots herein and/or executed pursuant hereto to Mossdale as a Permitted Assignee and Mossdale assumes and accepts that assignment and delegation, on the terms set forth in Section 15 of the Original Agreement and as described more particularly on the Assignment of Rights and Delegation of Duties Pursuant to Purchase Agreement attached as ***Exhibit C***.

(d) As used herein with respect to all Closing and post-Closing obligations that are (i) performable pursuant to the Purchase Agreement as hereby amended and (ii) all documents executable and obligations performable thereto and/or pursuant the Purchase Agreement as hereby amended: (x) the term “**Buyer**” refers to and means Schussing and Mossdale, jointly and severally and (y) the term “**Seller**” means Seller and Seller’s successors and assigns, if any.

(e) This Section survives execution and delivery of this Fourth Amendment, the Close of Escrow and recordation of the Deed until: (i) all post-Closing obligations performable pursuant to the Purchase Agreement, as hereby amended, (including, without limitation, pursuant to documents executed pursuant thereto) have been fully performed; and (ii) each Proceeding, if any, that arises from or has its roots in one or more documents described in this Section becomes final beyond appeal.

(f) By execution of this Amendment, Mossdale further adopts, affirms and ratifies the terms, provisions and conditions in, and signatures on, all documents previously executed and delivered by Mossdale, in connection with this Agreement or this transaction, including, without limitation the Third Amendment.

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10. Counterparts; Electronic Execution. This Fourth Amendment may be executed in counterparts and all counterparts together shall be considered part of one and the same Fourth Amendment, binding on Seller, Schussing and Mossdale. Electronically created and transmitted signatures are equivalent to original signatures for all purposes hereof. By signing below, Seller, Schussing and Mossdale each confirms it had a full and fair opportunity to consult with independent legal, tax and other advisors of its own selection and did so to the extent it deemed prudent. This Fourth Amendment is binding and effective as of the Effective Date regardless of when signed.

Agreed:

Seller

Ramona Chace, LLC,
a California limited liability company

By: Ronald M. Tate 1988 Separate
Property Trust dated April 13, 1988, as
amended
Its: Managing Member

By: _____
Ronald M. Tate, Trustee

Schussing

THE SCHUSSING COMPANY, INC.,
a California corporation

By: _____
Nicholas J. Whetstone
Its: Vice President

Mossdale

MOSSDALE LANDING APARTMENTS,
LLC, a California limited liability company

By: The Schussing Company, Inc.,
a California corporation
Its: Manager

By: _____
Nicholas J. Whetstone,
Vice President

EXHIBIT A
NOTE
(ATTACHED)

EXHIBIT B
ROADWAY OBLIGATION AGREEMENT
(ATTACHED)

EXHIBIT C

**ASSIGNMENT OF RIGHTS AND DELEGATION OF DUTIES
PURSUANT TO PURCHASE AGREEMENT**

(ATTACHED)