

AGREEMENT OF PURCHASE AND SALE AND
ESCROW INSTRUCTIONS

THIS AGREEMENT OF PURCHASE AND SALE AND ESCROW INSTRUCTIONS (this "Agreement") is made and entered into as of May 23, 2023 (the "Effective Date"), by and between JOURNEY HOSPITALITY, INC., a California corporation ("Seller") and NOVIN DEVELOPMENT CORP., a California corporation ("NDC") and/or its Assignee ("Buyer"). Buyer and Seller are each sometimes referred to herein individually as a "Party," and collectively as the "Parties."

RECITALS

A. Seller owns certain real property consisting of approximately 0.52 acres located at 425 24th Street in the City of Richmond, County of Contra Costa, State of California, identified as APN No. 515-200-003-9, commonly known as Richmond Motel 6, and more particularly described on Exhibit "A" attached hereto (the "Land").

B. Seller and Buyer desire to set forth herein the terms according to which Buyer will acquire the "Property" (as defined below) from Seller.

THEREFORE, in consideration of and in reliance upon the above Recitals, the terms, covenants and conditions contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

AGREEMENT

1. Purchase and Sale of Property. Seller hereby agrees to sell, and Buyer hereby agrees to purchase, upon the terms and conditions herein, the Land; all rights, privileges, easements, rights of way and other rights belonging or appurtenant to the Land (collectively, the "Appurtenances"); all improvements and fixtures located upon the Land (collectively, the "Improvements"); and all of Seller's right, title and interest in and to all intangible property used in connection with the ownership, use and/or operation of the Land and the Improvements, including without limitation warranties, guaranties, indemnities, reports, studies and other work product, plans and specifications, architects', engineers' and all other consultants' reports relating to the Land or Improvements, contract rights, development rights, entitlements, governmental permits, licenses, certificates and other governmental approvals, air rights, water, water rights, water stock, utility and other permits, pre-paid fees, deposits, fee and tax credits, and any refunds, if any, that pertain to the Land or Improvements (collectively, the "Intangible Property"). The Land, the Appurtenances, and the Improvements are sometimes referred to herein collectively as the "Real Property." The Real Property and the Intangible Property are sometimes collectively referred to herein as the "Property".

2. Purchase Price. The purchase price for the Property (the "Purchase Price") shall be Nine Million Sixty-Five Thousand Dollars (\$9,065,000), All Cash at Closing.

3. Payment of Purchase Price. The Purchase Price shall be paid as follows:

(a) Escrow. The purchase and sale and sale of the Property shall be consummated through an escrow (the "Escrow") to be opened by Buyer with Chicago Title 675 North First Street, Suite 900, San Jose, CA 95112 Attn: Lance T. Capel and Paul M. Van Every ("Escrow Holder").

(b) Deposit. No later than five (5) business days following the Effective Date of this agreement, Buyer shall deposit into Escrow the amount of Fifty Thousand Dollars (\$50,000) ("Initial Deposit"). The Initial Deposit shall be promptly returned to Buyer if this Agreement is terminated on or before the expiration of the Due Diligence Period (as defined below). If this Agreement has not been terminated, upon expiration of the Due Diligence Period, (i) the Initial Deposit shall become nonrefundable to Seller, and (ii) Buyer shall deposit into Escrow with the Escrow Holder a second deposit in the amount of Seventy-Five Thousand Dollars (\$75,000) ("Second Deposit"), which shall also be nonrefundable to the Seller. The Initial Deposit, the Second Deposit, and any interest earned thereon, shall be referred to herein as the "Deposit" and shall be applied to the Purchase Price at Closing. The Deposit shall be held by Escrow Holder in an interest-bearing account if requested by Buyer and interest earned on the Deposit shall in all events be paid to or for the account of Buyer.

(c) Independent Consideration. The Deposit being delivered by Buyer includes the amount of One Hundred Dollars (\$100) as independent consideration for Seller's performance under this Agreement ("Independent Consideration"). If the Closing occurs, or if this Agreement is terminated for any reason, the Escrow Holder shall first disburse to Seller from the Deposit, the Independent Consideration. The Independent Consideration shall be nonrefundable under all circumstances but shall be applied to the Purchase Price at Closing. The Independent Consideration has been bargained for as consideration for Seller's execution and delivery of this Agreement and for Buyer's review and inspection rights hereunder, and such consideration is adequate for all purposes under any applicable law or judicial decision.

(d) Closing Amount. The balance of the Purchase Price shall be payable to Seller as follows: on or before the "Closing Date" (as defined below), Buyer shall deposit into Escrow cash or other immediately available funds in an amount equal to the balance of the Purchase Price as adjusted for closing costs and proration charges (the "Closing Amount").

4. Title to the Property. At the Closing, Seller shall convey to Buyer marketable and insurable fee simple title to the Property by duly executed and acknowledged grant deed in the form attached hereto as Exhibit "C" ("Deed"). As a condition to Buyer's obligations hereunder, Chicago Title Company (the "Title Company") shall issue an ALTA extended coverage owner's policy of title insurance insuring fee simple title to the Property in an amount equal to the Purchase Price and subject only to such exceptions as Buyer shall have approved pursuant to Section 5(a) (the "Title Policy"). The Title Policy shall provide full coverage against mechanics and materialmen's liens, and shall not contain an exception for any matters that would be disclosed by a survey of the Land. The Title Policy shall contain such endorsements as Buyer shall request. Seller shall provide to Title Company an owner's affidavit and mechanics lien indemnity agreement, each in form and substance reasonably satisfactory to Title Company in order to allow the Title Company to issue the Title Policy at Closing, including any affidavits or indemnities allowing for a "gap" Closing.

5. Due Diligence.

(a) Preliminary Title Report. Within five (5) business days after the Effective Date, Seller will obtain from the Title Company and cause the Title Company to deliver to Buyer a preliminary title report with respect to the Property, legible copies of all documents of record identified as exceptions in such preliminary title report (collectively, the "Preliminary Report"). On or before the date (the "Initial Title Disapproval Date") that is ten (10) business days following the receipt of the Preliminary Report (or within ten (10) business days after Buyer's receipt of any supplemental preliminary title report or survey (each a "Supplement") that is delivered to Buyer after the Initial Title Disapproval Date containing exceptions not contained on the initial Preliminary Report), Buyer shall give written notice to Seller disapproving any items identified as exceptions in such Preliminary Report or survey or Supplement, as applicable, and identifying the items and/or exceptions disapproved (a "Title Disapproval"). If Buyer does not give a Title Disapproval within ten (10) business days, then Buyer shall be deemed to have approved of the Preliminary Report or survey or Supplement, as applicable. Upon Buyer's delivery of a Title Disapproval (which disapproval may be given in its sole and absolute discretion), Seller may elect to remove (or otherwise cure in a manner satisfactory to Buyer in Buyer's sole and absolute discretion) said disapproved item or items at or prior to the Closing, by delivering written notice of such election ("Seller's Election Notice") to Buyer not later than ten (10) business days following the date Seller receives a Title Disapproval (the "Seller Election Notice Period"). Buyer shall have until the expiration of the Due Diligence Period to elect either (i) to proceed with the purchase of the Property on the terms and conditions set forth in this Agreement by providing the Approval Election (as defined in Section 5(d) below) or (ii) to elect not to proceed with the purchase of the Property and terminate this Agreement pursuant to Section 5(d) below. Upon delivery of any Seller's Election Notice, Seller shall be obligated to cure or remove all disapproved items Seller elected to cure or remove in Seller's Election Notice prior to or at the Closing. Notwithstanding the foregoing, Seller covenants to cause to be released and reconveyed from the Property, and to remove as exceptions to title prior to the Closing the following (the "Pre-Disapproved Exceptions"): any exceptions regarding tenants or other possessory interests and all mortgages, deeds of trust and other monetary encumbrances, liens, assessments and/or indebtedness, except for the current installment of non-delinquent real property taxes and assessments payable as a part of the real property tax bill.

(b) Examination of Documentation. Within five (5) business days following the Effective Date, Seller shall deliver to Buyer the following materials to the extent same are in Seller's possession or reasonable control relating to the Property: (i) copies of the most recent property tax bills and assessments for the Property; (ii) any and all existing surveys of the Real Property; (iii) any and all soils reports, reports and studies pertaining to Hazardous Materials or other environmental conditions or other reports relating to the physical condition of the Real Property; (iv) any and all traffic reports, engineering reports, landscape plans, floor plans and site plans and specifications relating to the Real Property; (v) any and all consultant contracts and agreements relating to the Property or work to be performed thereon; (vi) any entitlements, permits, approvals, consents or waivers from any governmental or quasi-governmental agency or authority relating to the Property, including, without limitation, general plan approvals, zoning approvals, planned development permits, use permits, variances, subdivision improvement agreements (including bond amount estimates), tentative maps or final maps; (viii) the Existing Lease and any and all subleases, licenses and other agreements providing third parties with a right to occupy a portion of the Real

Property; and (ix) any and all other correspondence, reports, studies, permits, approvals, or documents relating to the Property (all of the items described in the foregoing subsections (i) through (ix), collectively, the “Due Diligence Documents”). In addition, Seller shall promptly deliver to Buyer such other information relating to the Property that is reasonably requested by Buyer of Seller in writing, to the extent such information is in the possession or control of Seller, and notify Buyer in writing of any material changes to any existing Due Diligence Documents of which Seller becomes aware during the Due Diligence Period. Buyer acknowledges and understands that Seller may not have in its possession any or all of the above requested documents. Buyer will be solely responsible for producing any of the above documents it requires that are not in the possession of Seller during the Due Diligence Period.

(c) Investigations. At any time prior to the termination of this Agreement, Buyer may conduct, review and analyze such feasibility studies, inspections, environmental audits, soils and geological studies, engineering reports, topographic surveys, grading plans, environmental impact reports, right of way and easement agreements, zoning and master plan issues, bond feasibility, acoustics, hazardous materials studies, land plans, assessment of the tenants, market studies and a detailed investigation of all governmental authorities having jurisdiction over the Property, and other investigations (collectively, the “Investigations”) as Buyer deems appropriate. Seller shall permit Buyer, its engineers, contractors, consultants, employees and agents to enter onto the Property and conduct, at Buyer’s expense, any such Investigations during the ninety (90) days of the Due Diligence Period. Buyer shall provide 72 hours prior written notice to obtain entry to the Property. Buyer shall indemnify and hold harmless Seller from any claims, damages, liabilities, losses, liens, costs or expenses (including, without limitation, reasonable attorneys’ fees) (collectively, “Claims”) arising from any damage to persons or property caused by Buyer’s Investigations; provided, however, that Buyer shall have no obligation to indemnify, defend and hold Seller harmless from and against any Claims to the extent resulting from Seller’s acts or omissions or Buyer’s mere discovery of adverse physical conditions affecting the Property, including, without limitation, any “Hazardous Materials” (as defined below). Buyer shall be responsible for keeping the Property free and clear of all mechanics’, design professionals’ and other liens arising in connection with its Investigations, and not otherwise caused by or on behalf of Seller. Buyer shall promptly restore the Property to substantially the same condition it was in immediately prior to Buyer’s entry thereon in connection with its Investigations. Buyer’s obligations under this Section shall survive the termination of this Agreement.

(d) Due Diligence Period. The “Due Diligence Period” shall terminate at 5:00 p.m. Pacific Time on August 21st, 2023. On or before the expiration of the Due Diligence Period, Buyer, in its sole and absolute discretion, may approve of its review of its Investigations and the Feasibility Documents by giving written notice to Seller of election (the “Approval Election”) to proceed with the transaction. If Buyer does not deliver its Approval Election within five (5) days after expiration of the Due Diligence Period, then Buyer shall be deemed to have elected to proceed with the transaction. Upon the delivery of a written (“Disapproval Election”) prior to the completion of the Due Diligence Period this Agreement shall be terminated and Buyer shall receive a return of the Initial Deposit, and neither Party shall have any further rights or obligations with respect to the other Party in connection with this Agreement, except as otherwise expressly provided in this Agreement.

6. The Closing.

(a) The Closing Date. The recordation of the Deed and the delivery of the other documents and funds contemplated hereby (the "Closing" or "Close of Escrow") shall occur through Escrow on the earlier of (i) the date that is Sixty (60) days following expiration of the Due Diligence Period, or (ii) the date that is ten (10) business days after all conditions set forth in Section 6(b) have been satisfied or waived by Buyer, or (iii) such earlier date as Buyer may designate in writing to Seller upon five (5) business days prior notice to Seller or (iv) such other date as is mutually agreed to by the parties in writing (the "Initial Closing Date"). Buyer shall have two options to extend the Initial Closing Date for forty-five (45) days each ("Extensions"), by delivery of written notice of such exercise of the right of extension to Seller (the "Extension Notice") no later than ten (10) days prior to the then-scheduled closing date, together with the payment to Seller through Escrow of an additional Twenty-Five Thousand Dollars (\$25,000) for each extension that is exercised (the "Extension Consideration"). Once the Extension Notice has been delivered, and the Extension Consideration has been received by Escrow, the Extension Consideration Amount shall become part of the Deposit under this Agreement, shall be nonrefundable to Seller and released to Seller from escrow, and shall be applicable to the Purchase Price upon Closing. The date on which the Closing occurs is herein referred to as the "Closing Date".

(b) Buyer's Conditions to Closing. Buyer's obligation to consummate the purchase of the Property is subject to and conditioned upon the satisfaction of each and every one of the following conditions (unless otherwise waived in writing by Buyer) on or before the Closing Date, which conditions are for the sole benefit of Buyer:

(i) The Title Company shall have given Buyer its unconditional and irrevocable commitment to issue the Title Policy in favor of Buyer insuring Buyer as the fee owner of the Property with liability in the amount of the Purchase Price, subject only to those exceptions as have been approved by Buyer pursuant to Section 5(a) hereof and including the Endorsements requested by Buyer pursuant to Section 4 hereof.

(ii) Seller shall have delivered to Escrow Holder the documents set forth in Section 6(d)(ii), below.

(iii) Each and all of the representations and warranties made by Seller in Section 11 hereof herein shall be true and correct in all material respects as of the Closing Date.

(iv) Seller shall have fully performed all of the covenants which Seller, pursuant to the terms of this Agreement, has agreed to perform on or prior to the Closing Date and Seller shall not be in material breach or default under this Agreement.

(v) There shall be no moratoria or other governmental action first introduced after Buyer delivers its Approval Election that would prevent Buyer from changing the land use of the Property from motel (hospitality) to an affordable multifamily apartment complex.

(vi) There will be no more than five (5) existing tenants at the Property on the Closing Date.

(vii) The Buyer shall have received a deposit of public financing funds into their bank account, which, is sufficient to cover closing, acquisition and redevelopment costs (the "Financing Commitment").

If any condition precedent to Buyer's obligations under Section 6(b) fails or is not satisfied in a timely manner or otherwise waived in writing by Buyer, then Buyer may elect to terminate this Agreement in accordance with the immediately following paragraph, or exercise its remedies in Section 14(b), if applicable.

Upon termination of this Agreement due to the failure of any condition precedent set forth in Section 6(b): (1) Escrow Holder shall promptly return all documents to the respective parties who delivered such documents to Escrow; (2) If prior to the expiration of the Due Diligence Period, Escrow Holder shall promptly remit the Deposit to Buyer, (3) except if Seller defaults under this Agreement (in which case Seller shall pay Escrow Holder's title and escrow cancellation fees), Buyer shall pay Escrow Holder's title and escrow cancellation fees, if any; and (4) thereafter neither Seller nor Buyer shall have any further duties, rights or obligations hereunder other than those that are expressly stated to survive termination of this Agreement.

Notwithstanding the foregoing, in the event of termination of this Agreement due to the failure of either or both of Sections 6(b)(vii) and (viii), and all other conditions precedent in Section 6(b) are satisfied, then the Deposit shall be released to Seller to the extent in Escrow and shall be retained by Seller.

(c) Seller's Conditions To Closing. Seller's obligation to consummate the sale of the Property is subject to and conditioned upon the satisfaction of each of the following conditions (unless otherwise waived in writing by Seller) on or before the Closing Date which conditions are for the sole benefit of Seller:

(i) Buyer shall have delivered to Escrow Holder the Closing Amount and the documents set forth in Section 6(d)(i) below.

(ii) Buyer shall have fully performed all of the covenants which Buyer, pursuant to the terms of this Agreement, has agreed to perform on or prior to the Closing Date and Buyer shall not be in material breach or default under this Agreement.

(iii) Each and all of the representations and warranties made by Buyer in Section 12 hereof shall be true and correct in all material respects as of the Closing Date.

If the conditions to Seller's obligation to consummate the transaction contemplated in this Agreement under Section 6(c) are not satisfied (or waived by Seller), then, upon Seller's request, this Agreement shall terminate, the Parties and Escrow Holder shall have the return obligations specified in the third paragraph of Section 6(b), above, neither Seller nor Buyer shall have any further duties, rights or obligations hereunder other than those that are expressly stated to survive termination of this Agreement, and Seller shall be entitled to its remedies pursuant to Section 14(a).

(d) Deliveries at Closing. At least one (1) business day prior to the Closing Date, Seller and Buyer shall each deliver to Escrow Holder such instruments and funds as are necessary to consummate the purchase and sale of the Property in accordance with the terms and conditions of this Agreement, including the following:

(i) Buyer shall deliver:

A. The Closing Amount;

B. Such other items, documents, and instruments as may be reasonably required by Title Company, Escrow Holder, or otherwise to fulfill the covenants and obligations to be performed by Buyer at the Closing pursuant to this Agreement; and

(ii) Seller shall deliver:

A. An original of the Deed executed and acknowledged by Seller, as grantor;

B. An original of the assignment of all Intangible Property, in the form attached hereto as Exhibit "C" (the "Intangible Assignment"), executed by Seller, as assignor;

C. An affidavit directed to Buyer giving Seller's taxpayer identification number and confirming that Seller is not a "foreign person," which affidavit shall be, in form and substance, sufficient to relieve Buyer of any withholding obligation under §1445 of the Internal Revenue Code ("Seller's Foreign Person Affidavit");

D. If Seller claims exemption of the sale from withholding under California Revenue and Taxation Code Section 18668, a duly executed California Franchise Tax Board Form 593-W Real Estate Withholding Certificate (the "Cal FIRPTA"); and

E. a release, reconveyance and termination of all monetary encumbrances affecting the Property including any mechanics' liens.

F. Such other items, documents, and instruments as may be reasonably required by Title Company, Escrow Holder, or otherwise to fulfill the covenants and obligations to be performed by Seller at the Closing pursuant to this Agreement, including, if applicable, the Existing Tenant Estoppel.

(iii) Upon satisfaction of all conditions and closing requirements set forth herein, Escrow Holder shall:

A. Cause the Deed to be recorded in the Official Records and deliver a conformed copy to Buyer and to Seller;

B. Pay from Buyer's funds Buyer's share of any closing costs and prorations;

C. Pay from funds held for Seller's account Seller's share of any closing costs and prorations and any deeds of trust, mortgages or other monetary liens;

D. Remit to Seller the remaining funds held for Seller's account; and

E. Deliver an original of the Intangible Assignment, the Seller's Foreign Person Affidavit, the Cal FIRPTA, and the Title Policy to Buyer.

(e) Concurrent Deliveries. All requirements with respect to the Closing shall be considered as having taken place simultaneously, and no delivery or payment with respect to the Closing shall be considered as having been made until all deliveries, payments and closing transactions have been accomplished with respect to the Closing.

(f) Real Estate Reporting. Escrow Holder is designated the "real estate reporting person" for purposes of Section 6045 of title 26 of the United States Code and Treasury Regulation 1.6045-4 and any instructions or settlement statement prepared by Escrow Holder shall so provide. Upon the consummation of the transaction contemplated by this Agreement, Escrow Agent shall file Form 1099 information return and send the statement to Assignor as required under the aforementioned statute and regulation.

7. Costs and Prorations.

(a) Costs. Costs of the Closing and Escrow shall be allocated as follows:

(i) Buyer shall pay the costs of recording the Deed.

(ii) Seller shall pay all Contra Costa County documentary transfer taxes imposed in connection with recording the Deed.

(iii) Buyer shall pay the portion of the premium for the Title Policy attributable to CLTA standard coverage; provided, however, that Buyer shall pay the cost of any Endorsements that it may request and the portion of the title premium attributable to ALTA extended coverage (to the extent requested by Buyer).

(iv) Buyer will use its best efforts as a partner with the City of Richmond to abate or reduce the amount of transfer tax due on Closing. Seller and Buyer hereby agree to split equally (50/50) the final amount of the City of Richmond Transfer Tax.

(v) Except as elsewhere set forth in this Agreement, Buyer shall pay all of the fees of the Escrow Holder, including any cancellation costs, and the costs of the Escrow.

(vi) Buyer and Seller shall each pay their respective attorneys' fees.

(b) Customary Apportionment. All other costs, if any, shall be apportioned in the customary manner for real estate transactions in Contra Costa County, California.

(c) Prorations. At Close of Escrow, the items of income and expense of the Property set forth below shall be prorated on the basis of a 365-day year, actual days elapsed for the month in which Closing occurs, as of 11:59 p.m. on the day immediately preceding the Closing Date. Income and expenses attributable to the period prior to the Closing Date shall be for the account of Seller, and income and expenses attributable to the period on and after the Closing Date shall be for the account of Buyer. The following items shall be prorated through escrow:

(i) All current real property taxes, non-delinquent bonds or improvement assessments, general and special, non-delinquent public or governmental charges or assessments affecting the Property (including current assessments, liens or encumbrances for sewer, water, drainage or other public improvements whether completed or commenced on or prior to the date of this Agreement). If the Closing Date occurs before the tax rate or assessment is fixed, the proration of such taxes and assessments by Escrow Holder shall be made at Closing based upon the most recent tax bills available.

(ii) All current utilities, maintenance and service contract charges and similar expenses of the Property, determined using the accrual method of accounting, shall be prorated between Seller and Buyer as of the Closing Date and, to the extent of information then available, such prorations shall be made at the Close of Escrow; provided, further, that if Buyer elects to assume the Existing Lease, then collected current base rent, additional rent, reimbursements and other income from the Property shall also be prorated between Seller and Buyer pursuant to this Section.

(iii) Seller and Buyer shall use their best efforts prior to the Closing Date to agree upon a schedule of prorations for the items detailed in Sections 7(c)(i) and (ii) above. Prorations of income and expenses of the Property shall be adjusted, if necessary, and completed after the Closing as soon as final information becomes available. Seller and Buyer agree to cooperate and to use their best efforts to complete such prorations no later than sixty (60) days after the Closing Date, except for any annual reconciliation of expense reimbursements payable by the Existing Tenant that cannot be completed until the final accounting for the year has been prepared or such other expenses that cannot be completed until actual invoices or billings are received, which prorations shall be completed as soon as final information becomes available. Monthly income and expense items shall be prorated on the basis of the actual number of days in the month in which the Closing Date occurs.

(d) Post-Closing Adjustment. Any statements from governmental agencies for real property taxes, bonds and assessments relating to the Property for periods prior to the Closing that are delivered to Buyer after the Closing shall be paid by Seller within ten (10) days from written notice from Buyer.

8. The Escrow.

(a) Duties of Escrow Holder. The duties of the Escrow Holder shall be as follows:

(i) to retain and safely keep all funds, documents and instruments deposited with it;

(ii) to confirm that all conditions to the Closing specified in Section 6(b) and (c) hereof have been met;

(iii) upon the Closing, to deliver to the parties entitled thereto all funds, documents and instruments to be delivered through Escrow in accordance with the terms of this Agreement;

(iv) upon the Closing, to cause the recordation in the Official Records of all documents to be recorded hereunder; and

(v) to comply with the terms of this Agreement and any additional instructions jointly executed by Buyer and Seller.

(b) Additional Provisions. The Escrow Holder's rights and obligations shall be further specified by such additional terms and provisions acceptable to Buyer and Seller as said Escrow Holder customarily requires in real property escrows administered by it; provided, however, that if any conflict shall arise between this Agreement and such additional terms and provisions, the terms and provisions of this Agreement shall prevail.

9. Operation of the Property Prior to Closing; No New Leases; Buyer's Entitlement Work.

(a) Seller's Obligations. During the period from the Effective Date to the Closing Date (the "Interim Period"), Seller shall act with respect to the Property in accordance with its preexisting business practices as if the Property were not to be sold, including, without limitation, paying all fees and costs and performing all of its obligations under agreements with consultants to be performed prior to the Closing Date, and maintaining at least the same levels of insurance in effect as of the Effective Date.

(b) Leases and other Agreements. During the Interim Period, Seller shall not enter into any new lease, occupancy agreement, contract or other agreement with respect to the Property, or, terminate, alter, amend or otherwise modify or supplement any of the same, without the prior written consent of Buyer, which may be withheld in its sole and absolute discretion. Seller shall not place or permit any lien, deed of trust or other monetary encumbrance on the Property nor take any action to impose any other title exceptions on the Property. Seller shall not convey, assign or otherwise transfer any of its right, title or interest in and to the Property, except to Buyer in the manner provided in this Agreement.

(c) Lease Termination Notice.

(i) Upon delivery of the Approval Election and the Second Deposit, Buyer (in consultation with Seller) shall have the discretion to trigger a Seller-noticed lease termination to the Existing Tenants (the "Lease Termination"), at Buyer's sole cost and expense, consistent with the terms of that certain Leases by and between Seller and Existing Tenants (the "Existing Leases"), allowing the Existing Tenant twelve (12) days' notice, or a shorter notice period if requested by Buyer and mutually agreed upon by the Seller and Existing Tenant and should such shorter notice period not have a material negative impact on the Seller's ability to close hereunder. The Lease Termination shall be prepared by Buyer in Buyer's reasonable discretion. In no event shall the Buyer request that a notice be delivered to the Existing Tenants prior to the expiration of the Ninety (90) day Due Diligence Period/, unless mutually agreed upon by the Seller and the Existing Tenant. Buyer understands and acknowledges that Seller delivering a vacant property is not a condition precedent to the sale. Buyer is taking the Property as is with all remaining tenants (not to exceed 5 rooms) on the Closing Date.

(ii) If Buyer elects in writing to proceed to Closing prior to the Existing Tenant's vacating the property but following the Lease Termination, or to proceed to Closing without electing to trigger the Lease Termination under this Section, then Buyer at its sole and absolute discretion may assume ownership of the Existing Leases and all rights granted to the "Landlord" thereunder, and Seller shall deliver an estoppel certificate with respect to the Existing Leases at least five (5) business days prior to the Closing Date, duly executed by the Existing Tenants, complying with Section 18.3 of the Existing Lease (the "Existing Tenant Estoppel").

(d) Buyer's HomeKey Financing Acquisition. Buyer shall have the exclusive right, at its sole cost and expense, to prepare, process, seek, and otherwise obtain funding for the costs of closing, acquisition and redevelopment of the Property from the State of California Department of Housing and Community Development's (HCD's) HomeKey Program and funding for other public sources "Public Financing" (as defined below) necessary for converting the existing motel into affordable residential building, and Seller shall reasonably cooperate with and do all acts as may be reasonably required or requested by Buyer in regard to securing and obtaining the Public Financing, including, without limitation, executing, acknowledging, and delivering necessary architectural plans, applications, affidavits, documents, and written authorizations. "Public Financing" shall mean all funds, grants, loans, or other financial support from any applicable federal, state, or local governmental or quasi-governmental agencies, bodies, or authorities (each an "Funding Authority") necessary or desirable for the Buyer's contemplated development and use of the Property as an affordable multifamily apartment complex and associated facilities, all of which shall be in such form, on such terms, and subject only to such conditions as are acceptable to Buyer in its sole and reasonable discretion.

(e) Seller's Cooperation. Seller shall, and shall cause its consultants, representatives and advisers to, cooperate with and support Buyer in connection with its effort to obtain the Entitlements provided that such cooperation shall not require Seller or its consultants, representatives and advisers to incur any cost or expense. In addition, if requested by Buyer, Seller will promptly execute a letter or letters to the applicable Authorities authorizing Buyer to process Entitlements with respect to the Property. Seller shall assign all of Seller's right, title and interest, in and to any agreements with and work product prepared by its consultants, representatives and advisers to the extent the same would be applicable to the Property or its Entitlements.

10. AS IS Sale. Except as set forth in this Agreement or in any document delivered by Seller at Closing, below, Seller makes no representation or warranty respecting the Property or any portion thereof. Without limiting the generality of the foregoing, Buyer hereby acknowledges that it will be purchasing the Property in its "AS IS" condition, subject to the representations and warranties of Seller in this Agreement and in any document delivered by Seller at Closing. Buyer further acknowledges that Buyer shall make its own independent investigations and studies, including, without limitation, a physical inspection, with respect to the Property and the transaction contemplated by this Agreement and except for the representations and warranties of Seller set forth in this Agreement or in any document delivered by Seller at Closing, it will be relying entirely thereon and on the advice of its counsel, advisers and consultants concerning the transaction contemplated by this Agreement. Buyer also acknowledges that there are currently five (5) existing tenants at the Property and they will be delivered with the Property on the Closing Date.

11. Seller's Representations, Warranties and Covenants. Seller represents, warrants and covenants as of the Effective Date:

(a) This Agreement is, and all documents executed by Seller which are to be delivered to Buyer at the Closing, will be, legal, valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms, are, and at the time of Closing will be, sufficient to convey title (if they purport to do so), and do not, and at the time of Closing will not, violate any provision of any agreement or judicial order to which Seller or the Property is subject. Seller has obtained all necessary authorizations, approvals and consents to the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

(b) Seller has not received written notice that (i) there are any condemnation, environmental, zoning or other land-use regulation proceedings, either instituted or which have been threatened in writing, which would materially and adversely affect the use, operation or value of the Property, (ii) that there are any special assessment proceedings affecting the Property, and (iii) of any litigation pending or threatened in writing against Seller arising out of the ownership or operation of the Property or that might detrimentally affect the development, value or use of the Property as contemplated by Buyer or the ability of Seller to perform its obligations under this Agreement.

(c) No petition in bankruptcy (voluntary or otherwise), assignment for the benefit of creditors, or petition seeking reorganization or arrangement or other action under Federal or State bankruptcy laws is pending against or contemplated by Seller.

(d) There are no existing or proposed leases, tenancies, licenses or other agreements granting rights of occupancy affecting the Property other than the Existing Motel Leases.

(e) Neither Seller nor, to the actual knowledge of Seller, any prior owner or occupant of the Property, has engaged in or permitted any activity on the Property involving the handling, manufacture, treatment, storage, use, release, or disposal of Hazardous Materials on or about the Property. For purposes of this Agreement, "Hazardous Materials" means any toxic or hazardous waste, material or substance, including, without limitation, asbestos, petroleum, petroleum products, underground storage tanks now or previously containing any other hazardous materials or substances defined as "hazardous substances", "hazardous waste" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sec. 9601, et seq.; Hazardous Materials Transportation Act, 49 U.S.C. Sec. 1801; and Resource Conservation and Recovery Act, 42 U.S.C. Sec. 6901 et seq.; and other substances defined as hazardous waste and hazardous substances in applicable Laws and/or in any regulations and publications promulgated pursuant to said Laws.

(f) All material documents and other material written information relating to the Property in Seller's possession or control have been delivered or made available to Buyer for its review.

(g) Service Contracts delivered as part of the Feasibility Documents are all utility contracts, maintenance agreements, supply contracts, service contracts or similar contracts

or agreements affecting the Property and true and complete copies of all such Service Contracts have been delivered to Buyer prior to the Effective Date. No other service or similar contracts or agreements affect the Property, and neither Seller nor any counterparty is in default under any Service Contract.

(h) Seller represents and warrants to Buyer as follows: (i) Seller is in compliance with the USA Patriot Act of 2001 (Public Law 107-56) ("Patriot Act"), Executive Order 13224 (66 Fed. Reg. 49079 (2001)) (the "Order"), and the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury ("OFAC"), and any enabling laws or other executive orders or regulations in respect thereof (the Patriot Act, the Order and such other rules, regulations, laws or orders are collectively referred in this Agreement as the "Anti-Terrorism Laws"); (ii) Seller (A) is not listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any of the other Anti-Terrorism Laws, (B) is not and will not become a person or entity listed in or subject to the Order, and (C) does not, and will not, knowingly engage in any dealings or transactions, and to its knowledge is not and will not be otherwise associated, with any such person or entity referred to in the foregoing clauses (A) and/or (B).

Each of the representations and warranties of Seller contained in this Section 11: (i) is true in all material respects as of the date hereof, (ii) shall be deemed remade by Seller, and shall be true in all material respects, as of the date of Closing, and (iii) shall survive the Closing. Seller shall immediately notify Buyer of any fact or circumstance that becomes known to Seller, which would make any of the foregoing representations or warranties untrue.

12. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller as of the Effective Date as follows: Buyer is a nonprofit public benefit corporation duly organized, validly existing, and in good standing under the laws of the State of California; this Agreement is, and all documents executed by Buyer which are to be delivered to Seller at the Closing will be, duly authorized, executed and delivered by Buyer; this Agreement is, and all documents executed by Buyer which are to be delivered to Seller at the Closing will be, legal, valid and binding obligations of Buyer. Each of the representations and warranties of Buyer contained in this Section 12: (i) is true in all material respects as of the date hereof, and (ii) shall be so remade as of and survive the Closing.

13. Casualty and Condemnation.

(a) Minor Loss. Buyer shall be bound to purchase the Property for the full Purchase Price as required by the terms hereof, without regard to the occurrence or effect of any damage to the Property or destruction of any improvements thereon or actual condemnation of any portion of the Property, provided that: (i) the cost to repair any such damage or destruction, or the diminution in the value of the Property as a result of a partial condemnation, equals Fifty Thousand Dollars (\$50,000) or less and there is no loss of any access rights, and (ii) upon the Closing, there shall be a credit against the Purchase Price due hereunder equal to the amount of any insurance proceeds or condemnation awards collected by Seller as a result of any such damage or destruction or condemnation, plus the amount of any insurance deductible, less any sums expended by Seller toward the restoration or repair of the Property or in collecting such insurance proceeds or

condemnation awards. If the proceeds or awards have not been collected as of the Closing, then such proceeds or awards shall be assigned to Buyer, except to the extent needed to reimburse Seller for sums expended prior to the Closing to repair or restore the Property.

(b) Major Loss. If the amount of the damage or destruction or condemnation as specified above exceeds Fifty Thousand Dollars (\$50,000) or if there is any loss of access rights which renders the Property non-compliant in any material respect with applicable laws, then Buyer may at its option, to be exercised by written notice to Seller within ten (10) Business Days of Seller's notice of the occurrence of the damage or destruction or the commencement of condemnation proceedings, terminate this Agreement. Buyer's failure to provide any such written notice within said ten (10) Business Day period shall be deemed an election by Buyer to waive such termination right. If Buyer elects to terminate this Agreement within such ten (10) Business Day period, the Deposit shall be returned to Buyer by Escrow Holder and Seller, as applicable, and neither party shall have any further rights or obligations hereunder except as expressly survive the termination of this Agreement. If Buyer elects or is deemed to have elected to proceed with the purchase, then upon the Closing, there shall be a credit against the Purchase Price due hereunder equal to the amount of any insurance proceeds or condemnation awards collected by Seller as a result of any such damage or destruction or condemnation, plus the amount of any insurance deductible, less any sums expended by Seller toward the restoration or repair of the Property or in collecting such insurance proceeds or condemnation awards. If the proceeds or awards have not been collected as of the Closing, then such proceeds or awards shall be assigned to Buyer, except to the extent needed to reimburse Seller for sums expended prior to the Closing to repair or restore the Property or to collect any such proceeds or awards.

14. Remedies.

(a) **LIQUIDATED DAMAGES FOR SELLER. IN THE EVENT THE SALE OF THE PROPERTY IS NOT CONSUMMATED SOLELY BECAUSE OF A DEFAULT UNDER THIS AGREEMENT ON THE PART OF BUYER, THE DEPOSIT SHALL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT THE SALE OF THE PROPERTY IS NOT CONSUMMATED SOLELY BECAUSE OF A DEFAULT BY BUYER, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. THEREFORE, BY PLACING THEIR INITIALS BELOW, THE PARTIES ACKNOWLEDGE THAT THE AMOUNT OF THE DEPOSIT HAS BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES AND AS SELLER'S SOLE AND EXCLUSIVE REMEDY AGAINST BUYER, AT LAW OR IN EQUITY, IN THE EVENT THE SALE OF THE PROPERTY IS NOT CONSUMMATED SOLELY BECAUSE OF A DEFAULT UNDER THIS AGREEMENT ON THE PART OF BUYER. SELLER HEREBY WAIVES ANY AND ALL BENEFITS SELLER MAY HAVE UNDER CALIFORNIA CIVIL CODE SECTION 3389.**

BUYER'S INITIALS _____ SELLER'S INITIALS _____

(b) Remedies for Buyer. If Seller defaults under or breaches this Agreement, or any of Seller's representations and warranties set forth in Section 11 are untrue or incorrect in any

material respect, or if Seller fails to sell the Property in accordance with this Agreement, then Buyer shall have the right (i) to terminate its obligation to purchase the Property and receive (A) the prompt return of the Deposit and (B) the prompt reimbursement of all of Buyer's reasonable and verifiable out of pocket expenses in connection with Buyer's due diligence hereunder and the negotiation of this Agreement, and all of Buyer's reasonable costs to seek entitlements to develop the Property as well as an additional Twenty Five Thousand Dollars (\$25,000) to compensate Buyer for Buyer's internal staff time, or (ii) bring an action for specific performance of Seller's obligation to sell the Property pursuant to this Agreement, or (iii) proceed to Closing and pursue any remedies available to Buyer, including the right to pursue Seller for damages. The foregoing options are mutually exclusive and are the sole and exclusive rights and remedies available to the Buyer at law or in equity in the event that the Seller wrongfully fails to close this transaction.

15. Possession. Seller shall deliver possession of the Property to Buyer on the Closing Date vacant and free and clear of all claims and rights of possession, subject to Section 9(c)(ii) above, at Seller's sole cost and expense.

16. Marketing. Seller agrees not to market or show the Property, or engage in negotiations with or submit or solicit offers or counteroffers to any other prospective purchasers, brokers or agents during the term of this Agreement.

17. Miscellaneous.

(a) Assignment; Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns. Seller shall not assign any of its right, title or interest in or to this Agreement. Buyer shall have the right, power and authority to assign all or any portion of this Agreement or its rights hereunder or to delegate any duties or obligations arising under this Agreement, voluntarily, involuntarily or by operation of law, without Seller's consent, to a limited partnership or limited liability company in which Buyer, NDC or MBS, or an affiliate of either NCD or MBS, is a partner or member.

(b) Entire Agreement. This Agreement embodies the entire agreement between the Parties relative to the subject matter hereof, and there are no oral or parol agreements existing between Seller and Buyer relative to the subject matter hereof which are not expressly set forth herein and covered hereby.

(c) Recitals Incorporated. The Recitals above are an integral part of this Agreement and are incorporated herein by reference.

(d) Notices. Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be (a) delivered in person, in which event the notice shall be deemed received when delivery is actually made; (b) sent by overnight courier for next business day delivery, in which event the Notice shall be deemed received on the first business day after delivery to, and acceptance for delivery by, the courier; (c) sent by registered mail or certified mail, postage prepaid, return receipt requested, through the United States Postal Service, in which event the notice shall be deemed received at the time of personal delivery or on the first attempted delivery on a business day; or (d) sent via email, in which event such notice shall be

deemed received on the date of transmission via email if sent before 5:00 p.m. Pacific time on a business day or if sent after 5:00 p.m. Pacific time, then on the next Business Day, provided that the sender does not receive any failure of delivery notice. All such notices shall be sent to the following addresses:

If to Seller: Journey Hospitality Inc.

Attn: Gil Dunn
Phone: (562) 746-2161
Email: gildunn39@gmail.com

With a copy to: Buyer's Attorney

Attn:
Phone:
Email:

If to Buyer: Novin Development Corp.
1990 N. California Blvd, Suite 800
Walnut Creek, CA 94596
Attn: Iman Novin
Phone: (925) 344-6244
Email:

If to Escrow Holder: Chicago Title
675 North First Street,
Suite 900,
San Jose, CA 95112
Attn: Lance T. Capel and Paul M. Van Every
Phone: (408) 489-4482
Email: Paul.VanEvery@ctt.com

or such other address as either Party may from time to time specify in writing to the other.

(e) Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California without reference to choice of law principles which might indicate that the law of some other jurisdiction should apply.

(f) Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereto, and the remainder of the provisions of this Agreement shall continue in full force and effect without impairment.

(g) Waiver. The waiver by either Party of a breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach whether of the same or another provision of this Agreement.

(h) Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. Each Party (i) has agreed to permit the use, from time to time, of telecopied signatures in order to expedite the transaction contemplated by this Agreement, (ii) intends to be bound by its telecopied signature, (iii) is aware that the other will rely on the telecopied signature, and (iv) acknowledges such reliance and waives any defenses (other than fraud) to the enforcement of any document based on the fact that a signature was sent by telecopy. As used herein, the term "telecopied signature" shall include any signature sent via facsimile or via email in portable document format (".pdf").

(i) No Obligation to Third Parties. The execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate either of the parties hereto to, any person or entity not a Party to this Agreement.

(j) Amendments in Writing. The provisions of this Agreement may not be amended or altered except by a written instrument duly executed by each of the parties hereto.

(k) Interpretation. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender and the neuter, and vice versa. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof. As used herein, the term "Person" shall mean and refer to any individual, corporation, partnership, limited liability company, trust, governmental entity, or quasi-governmental entity.

(l) Attorneys' Fees. If legal action is commenced to enforce or to declare the effect of any provision of this Agreement, the prevailing Party shall be entitled to recover from the non-prevailing Party reasonable attorneys' fees and other litigation costs. In addition to the foregoing award of attorneys' fees and other litigation costs to the prevailing Party, the prevailing Party in any lawsuit on this Agreement shall be entitled to its attorneys' fees and other litigation costs incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, in no event shall either Party be liable for any speculative, consequential or punitive damages. No person, acting solely in his or her representative capacity on behalf of an entity, for example, as an officer of a corporation, that is a Party to this Agreement, shall have any personal liability for the actions of the Parties pursuant to this Agreement. This provision shall survive Closing or termination of this Agreement.

(m) Further Acts. Each of the Parties shall execute such other and further documents and do such further acts as may be reasonably required to effectuate the intent of the Parties and carry out the terms of this Agreement. This provision shall survive Closing or termination of this Agreement.

(n) Time for Performance. Wherever the time for performance of any obligation hereunder or if, pursuant to this Agreement, a Party must act by a particular time, or an act is effective only if done by a particular time, and the last date for the performance of such obligation or the doing or effectiveness of such act falls upon a day other than a business day, the time for the performance of such obligation or the doing or effectiveness of such act shall be extended to the next succeeding business day. As used herein, the term “business day” shall mean any day which is not a Saturday, Sunday, national or California state holiday.

(o) No Offer or Binding Contract. The parties hereto agree that the submission of an unexecuted copy of this Agreement by one party to another is not intended by either party to be, or be deemed to be a legally binding contract or an offer to enter into a legally binding contract. The parties shall be legally bound pursuant to the terms of this Agreement only if and when both Seller and Buyer have fully executed and delivered this Agreement.

(p) Time of Essence. Time is expressly made of the essence of this Agreement.

(q) Confidentiality. Each party hereto agrees to maintain in confidence, and not to discuss with or to disclose to any person or entity who is not a party to this Agreement, any material term of this Agreement or any aspect of the transactions contemplated hereby, except as provided in this Section 17(r). Each party hereto may discuss with and disclose to its accountants, attorneys, existing or prospective lenders and investors, underwriters, rating agencies, partners, consultants and other advisors to the extent such parties reasonably need to know such information. Buyer may publicly disclose the existence of this Agreement as Buyer deems necessary in order to pursue its due diligence inquiries and pursue the Entitlements and Financing Commitment. Additionally, each Party may discuss and disclose such matters to the extent necessary to comply with any requirements of the Internal Revenue Service or in order to comply with any other applicable laws or court order. Notwithstanding the foregoing, Seller acknowledges that Buyer may desire to discuss or otherwise inquire about matters related to the Property with various Authorities in connection with the Entitlements and Buyer is permitted to contact and meet with all necessary Authorities to discuss the Due Diligence Materials and other matters related to the Property. This provision shall survive termination of this Agreement but shall terminate upon the Closing. Any press release to be made regarding any matter that is the subject of the confidentiality obligation created in this Section 17(r) shall be subject to the reasonable approval of Buyer and Seller, both as to timing and content.

(r) Section 1031 or 1033 Cooperation. In the event Seller desires to engage in a tax-deferred exchange under Section 1031 or Section 1033 of the Internal Revenue Code of 1986, as amended, Buyer shall reasonably cooperate with such exchange by executing such documents and instruments as shall be customarily used by the Seller’s qualified exchange intermediary, provided that (i) such cooperation and the effecting of the exchange shall be at no additional cost or liability to Buyer; (ii) the exchange shall not prevent, delay or be a condition to the Closing; (iii) Buyer shall not be obligated to receive or acquire title to any property other than the Property in connection with such cooperation or otherwise in Seller’s effecting the exchange; and (iv) Seller agrees to indemnify, defend and hold Buyer harmless from all costs, damages or liability, including but not limited to reasonable attorneys’ fees, arising from third party claims due to Seller’s efforts to effect a tax-deferred exchange of the Property.

(s) Judicial Reference: IT IS THE DESIRE AND INTENTION OF THE PARTIES TO AGREE UPON A MECHANISM AND PROCEDURE UNDER WHICH ANY AND ALL CONTROVERSIES AND DISPUTES BETWEEN BUYER AND SELLER ARISING OUT OF OR IN ANY WAY CONNECTED TO THIS AGREEMENT AND/OR ANY DOCUMENTS EXECUTED BY THE PARTIES IN CONNECTION WITH, OR PURSUANT TO, THIS AGREEMENT, OR OTHERWISE OR RELATED TO THE PROPERTIES, INCLUDING ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY OF PARTIES (AND/OR AGAINST THEIR OFFICERS, DIRECTORS, PARTNERS, MEMBERS, EMPLOYEES, AGENTS OR SUBSIDIARY OR AFFILIATED ENTITIES) FOR DAMAGES, RESCISSION, INJUNCTIVE RELIEF, SPECIFIC PERFORMANCE AND/OR OTHER EQUITABLE RELIEF (HEREIN, A "DISPUTE"), WILL BE RESOLVED IN A PROMPT AND EXPEDITIOUS MANNER. ACCORDINGLY, ANY SUCH DISPUTE SHALL BE HEARD AND RESOLVED SOLELY AND EXCLUSIVELY BY A REFEREE EITHER AGREED TO IN ACCORDANCE WITH THE TERMS HEREOF OR APPOINTED BY A COURT OF COMPETENT JURISDICTION IN CONTRA COSTA COUNTY, CALIFORNIA (THE "COURT") UNDER THE JUDICIAL REFERENCE PROVISIONS OF THE CALIFORNIA CODE OF CIVIL PROCEDURE, SECTIONS 638-645.1, INCLUSIVE (AS SAME MAY BE AMENDED, OR ANY SUCCESSOR STATUTE(S) THERETO) (THE "JUDICIAL REFERENCE SECTIONS"): ANY FEE TO INITIATE THE JUDICIAL REFERENCE PROCEEDING SHALL BE PAID BY THE PARTY INITIATING SUCH PROCEEDING; PROVIDED HOWEVER, THAT THE COSTS AND FEES, INCLUDING ANY INITIATION FEE, OF SUCH PROCEEDING SHALL ULTIMATELY BE BORNE IN ACCORDANCE WITH SECTION 17(m). WITHIN TEN (10) DAYS AFTER RECEIPT BY ANY PARTY OF A WRITTEN REQUEST TO RESOLVE ANY DISPUTE (A "DISPUTE RESOLUTION INITIATION NOTICE"), THE PARTIES SHALL (i) ATTEMPT TO AGREE UPON A SINGLE REFEREE WHO SHALL BE APPOINTED BY THE COURT UNDER THE JUDICIAL REFERENCE SECTIONS, AND (ii) APPLY TO THE COURT TO HAVE SUCH REFEREE APPOINTED UNDER THE JUDICIAL REFERENCE SECTIONS. IF THE PARTIES ARE UNABLE TO AGREE UPON A REFEREE WITHIN SUCH TEN (10) DAY PERIOD, THEN EITHER PARTY MAY THEREAFTER FILE AN ACTION WITH THE COURT TO SELECT AND APPOINT THE REFEREE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 AND 640, AS SAME MAY BE AMENDED, OR ANY SUCCESSOR STATUTE(S) THERETO. IF THE REFEREE IS SELECTED BY THE COURT, THE REFEREE SHALL BE A NEUTRAL AND IMPARTIAL RETIRED SUPERIOR COURT JUDGE OR APPELLATE JUSTICE WITH SUBSTANTIAL EXPERIENCE IN THE RELEVANT MATTERS OF THE DISPUTE TO BE DETERMINED, FROM JAMS OR SIMILAR MEDIATION/ARBITRATION ENTITY. THE REFEREE SELECTED BY THE COURT MAY BE CHALLENGED BY ANY PARTY FOR ANY OF THE GROUNDS LISTED IN SECTION 641 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE, AS SAME MAY BE AMENDED, OR ANY SUCCESSOR STATUTE(S) THERETO. THE REFEREE APPOINTED BY THE COURT (WHETHER AGREED UPON BY THE PARTIES PURSUANT TO CLAUSE (i) HEREINABOVE OR SELECTED BY THE COURT UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 AND 640, AS SAME MAY BE AMENDED, OR ANY SUCCESSOR STATUTE(S) THERETO) SHALL BE REFERRED TO HEREIN AS THE "APPOINTED REFEREE". THE APPOINTED REFEREE SHALL HAVE THE POWER TO TRY AND DECIDE ALL ISSUES OF FACT AND LAW PERTAINING TO THE DISPUTE, TO

REPORT A FINDING AND JUDGMENT ON SUCH ISSUES AS REQUIRED BY THE JUDICIAL REFERENCE SECTIONS AND TO ISSUE ALL RECOGNIZED REMEDIES AVAILABLE AT LAW OR IN EQUITY FOR ANY CAUSE OF ACTION THAT IS BEFORE SUCH APPOINTED REFEREE, INCLUDING AN AWARD OF ATTORNEYS' FEES AND COSTS IN ACCORDANCE WITH CALIFORNIA LAW AND THE PROVISIONS OF SECTION 17(m). THE REFEREE SHALL NOT HAVE THE POWER TO AWARD PUNITIVE DAMAGES NOR ANY OTHER DAMAGES WHICH ARE NOT PERMITTED BY THE EXPRESS PROVISIONS OF THIS AGREEMENT, AND THE PARTIES WAIVE ANY RIGHT TO RECOVER SUCH DAMAGES. ANY PARTY SHALL HAVE THE RIGHT TO SEEK A TEMPORARY RESTRAINING ORDER, WITH THE FURTHER RESOLUTION OF ANY SUCH APPLICATION TO BE TRANSFERRED TO AND HEARD BY THE REFERENCE JUDGE. EACH PARTY RETAINS ALL OF ITS RIGHTS TO SEEK APPROPRIATE PREJUDGMENT REMEDIES, EXCEPT THAT UPON THE APPOINTMENT OF THE REFERENCE JUDGE ALL SUCH PROCEEDINGS SHALL BE TRANSFERRED TO AND HEARD BY THE REFERENCE JUDGE. THE APPOINTED REFEREE SHALL NOT, HOWEVER, HAVE THE POWER TO AWARD PUNITIVE DAMAGES OR ANY OTHER REMEDIES OR DAMAGES WHICH ARE NOT PERMITTED BY THE EXPRESS PROVISIONS OF THIS AGREEMENT. THE PARTIES SHALL BE ENTITLED TO CONDUCT DISCOVERY IN THE JUDICIAL REFERENCE PROCEEDING AS PROVIDED IN THE CALIFORNIA CODE OF CIVIL PROCEDURE, AND THE REFEREE SHALL OVERSEE DISCOVERY AND MAY ENFORCE ALL DISCOVERY ORDERS IN THE SAME MANNER AS ANY TRIAL COURT JUDGE, WITH RIGHTS TO REGULATE DISCOVERY AND TO ISSUE AND ENFORCE SUBPOENAS, PROTECTIVE ORDERS AND OTHER LIMITATIONS ON DISCOVERY AVAILABLE UNDER CALIFORNIA LAW. THE JUDICIAL REFERENCE PROCEEDING SHALL BE CONDUCTED IN ACCORDANCE WITH CALIFORNIA LAW (INCLUDING THE RULES OF EVIDENCE), AND IN ALL REGARDS, THE APPOINTED REFEREE SHALL FOLLOW CALIFORNIA LAW APPLICABLE AT THE TIME OF THE JUDICIAL REFERENCE PROCEEDING. IN ACCORDANCE WITH SECTION 644 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE, THE DECISION OF THE APPOINTED REFEREE UPON THE WHOLE ISSUE OF THE DISPUTE MUST STAND AS THE DECISION OF THE COURT, AND UPON THE FILING OF THE STATEMENT OF DECISION (WHICH SHALL INCLUDED FINDINGS OF FACT AND CONCLUSIONS OF LAW) WITH THE CLERK OF THE COURT, OR WITH THE JUDGE IF THERE IS NO CLERK, JUDGMENT MAY BE ENTERED THEREON IN THE SAME MANNER AS IF THE ACTION HAD BEEN TRIED BY THE COURT (IT BEING ACKNOWLEDGED BY THE PARTIES THAT SUCH DECISION SHALL BE APPEALABLE IN ACCORDANCE WITH THE PROVISIONS OF THE CALIFORNIA CODE OF CIVIL PROCEDURE). THE PARTIES SHALL PROMPTLY AND DILIGENTLY COOPERATE WITH ONE ANOTHER AND THE APPOINTED REFEREE, AND SHALL PERFORM SUCH ACTS AS MAY BE NECESSARY TO OBTAIN A PROMPT AND EXPEDITIOUS RESOLUTION OF THE DISPUTE IN ACCORDANCE WITH THE TERMS OF THIS SECTION 17(t). THIS SECTION SHALL NOT RESTRICT BUYER FROM BRINGING AN ACTION FOR A SPECIFIC PERFORMANCE AND, IN CONNECTION THEREWITH, FILING A LIS PENDENS AGAINST THE PROPERTY, SUBJECT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, IN THE EVENT OF A MULTI-PARTY DISPUTE WHEREIN ALL PARTIES HAVE NOT AGREED TO BE BOUND BY THIS JUDICIAL REFERENCE, IF

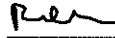
ANY PARTY TO THIS AGREEMENT (THE "CROSS-COMPLAINANT") DESIRES TO FILE A COMPULSORY CROSS-COMPLAINT AGAINST, OR SEEK INDEMNITY FROM, ONE OR MORE THIRD PARTIES (THE "CROSS-DEFENDANTS"), AND IF ALL SUCH CROSS-DEFENDANTS DO NOT CONSENT TO PARTICIPATE IN THE JUDICIAL REFERENCE PROCEEDING, SAID MULTI-PARTY DISPUTE SHALL BE DECIDED THROUGH THE APPLICABLE COURT(S) AND THIS REFERENCE CLAUSE SHALL NOT APPLY THERETO. THE TERMS OF THIS SECTION 17(t) SHALL EXPRESSLY SURVIVE THE CLOSING OR EARLIER TERMINATION OF THIS AGREEMENT.

[Remainder of page intentionally left blank]

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

Seller:

JOURNEY HOSPITALITY, INC.

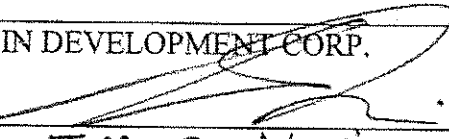
By: 
Rocky Patel (May 25, 2023 12:08 PDT)

Name: Rocky Patel

Title: President

Buyer:

~~NOVIN DEVELOPMENT CORP.~~

By: 

Name: Iman Novin

Title: President & CEO

ACCEPTANCE BY ESCROW AGENT

Chicago Title Company hereby acknowledges that it has received a fully executed original (which may be via facsimile or email) of the foregoing Agreement and agrees to act as Escrow Agent thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Agent.

Dated: _____, 2023

CHICAGO TITLE COMPANY

By _____
Name: _____
Title: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

[NOTE: Title company to confirm]

For APN/Parcel ID(s): 515-200-003-9

EXHIBIT "B"

GRANT DEED

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:
AND MAIL TAX STATEMENTS TO:

APN:
[ADDRESS]

(Space above this line for Recorder's use)

GRANT DEED

The Documentary Transfer Tax is: \$ _____.

- Computed on full value of property conveyed.
- Computed on full value less liens and encumbrances assumed.
- City of Richmond
- Unincorporated

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged JOURNEY HOSPITALITY, INC. ("Grantor") does hereby GRANT, CONVEY, TRANSFER, and ASSIGN to _____, a _____ ("Grantee") that certain real property in the City of Richmond, County of Contra Costa, State of California, as legally described in Exhibit "A" attached hereto and made a part hereof (the "Property"),

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of _____, 2023.

JOURNEY HOSPITALITY, INC.

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 _____) ss:

On _____, 202__, before me, _____, 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 of Notary Public

[Seal]

Exhibit A to Grant Deed

[insert legal description]

EXHIBIT "D"

ASSIGNMENT OF INTANGIBLE PROPERTY

THIS ASSIGNMENT OF INTANGIBLE PROPERTY ("**Assignment**"), is made as of _____, _____, by and between JOURNEY HOSPITALITY, INC. ("**Assignor**"), and _____, a _____ ("**Assignee**").

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into that certain Agreement of Purchase and Sale and Joint Escrow Instructions, dated _____, _____ ("**Agreement**"), for the purchase and sale of the "**Property**" (as defined in the Agreement).

WHEREAS, this Assignment is being made pursuant to the terms of the Agreement for the purpose of conveying and assigning to Assignee all of Assignor's rights, title and interest in any "Intangible Property" (as defined in the Agreement) (the "**Assigned Property**").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Conveyance and Assignment of Assigned Property. Assignor hereby grants, assigns, transfers and conveys to Assignee all of Assignor's right, title and interest in the Assigned Property. The Assigned Property includes, without limitation, all warranties, guarantees, indemnities, licenses, permits, plans, specifications, drawings, reports, studies, maps, entitlements, governmental permits, licenses, certificates and other governmental approvals, air rights, water, water rights, water stock, utility and other permits, pre-paid fees, deposits, fee and tax credits, and any refunds, if any, that pertain to the Property.

2. Governing Law. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

3. Further Assurances. Assignor agrees to execute any documents and instruments which any of them deems necessary or appropriate to carry out the purposes of this Assignment Agreement and to effectuate the assignment to Assignee.

IN WITNESS WHEREOF, Assignor has executed this instrument as of the date first written above.

ASSIGNOR:

JOURNEY HOSPITALITY, INC.


230518 Richmond Motel 6 PSA - Final IN Signed 5.24.2023


Final Audit Report

2023-05-25


Created:	2023-05-25
By:	Peter Agnoletti (peter@apexlodgingadvisors.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA1LIARkcQeWw5Cn26ljoY33pl9-xApkDh


"230518 Richmond Motel 6 PSA - Final IN Signed 5.24.2023" History

 Document created by Peter Agnoletti (peter@apexlodgingadvisors.com)
2023-05-25 - 5:41:28 PM GMT

 Document emailed to Rocky Patel (rockynpatel@gmail.com) for signature
2023-05-25 - 5:42:13 PM GMT

 Email viewed by Rocky Patel (rockynpatel@gmail.com)
2023-05-25 - 7:07:18 PM GMT

 Document e-signed by Rocky Patel (rockynpatel@gmail.com)
Signature Date: 2023-05-25 - 7:08:25 PM GMT - Time Source: server

 Agreement completed.
2023-05-25 - 7:08:25 PM GMT

