

July 25, 2024

Tony Chung

Perri Lee

**N1 Capital**

Via email: [PLee@N1CapitalInc.com](mailto:PLee@N1CapitalInc.com)

[TChung@N1CapitalInc.com](mailto:TChung@N1CapitalInc.com)

Re: **Offer to Purchase - Seller Counter Proposal**  
**1301 30<sup>th</sup> Avenue, Oakland, CA**  
**An approximate 132,422 square foot parcel with commercial building**  
**County APN 025-0695-021-01**

Dear Tony and Perri:

On behalf of Goodwill of the San Francisco East Bay, a California non-profit corporation ("Seller"), I want to thank you for your Letter of Intent to Purchase from AIMS K-12 or assignee ("Buyer") to purchase the property. The Seller is prepared to move forward with negotiations subject to the following terms and conditions:

**I. Purchase Price:**

The purchase price shall be Ten Million dollars (\$10,000,000.00) (the "Purchase Price"). The Purchase Price shall be paid as follows:

- (A) Deposit. Upon mutual contract execution, Buyer shall place into escrow a deposit of \$500,000.00 which deposit shall become non-refundable in the event of default by Buyer following Buyer's approval of contingencies listed in Paragraph II, and as described in Paragraph VI ("Escrow Period"). The deposit shall be applied and credited with interest towards the purchase price, unless otherwise specified.
- (B) Cash. In addition to the above deposit, Buyer will deposit the balance of the Purchase Price with escrow in cash holder prior to the closing date. There shall be no financing by Seller.

**II. Review of Documents and Inspections and General Feasibility:**

Seller shall within ten (10) business days deliver to Buyer the following documents and information, if available, and Buyer shall have forty-five (45) days following Buyer's receipt of all such documents and information to proceed with due diligence to satisfy itself in its sole and absolute discretion of same, and to make and obtain such inspections and studies of the Property at Buyer's cost, as Buyer may elect. During this time, the Buyer shall perform an Appraisal Report to satisfy itself that the Purchase Price is met or exceeded. If the Purchase Price is higher than the Appraised Price, Buyer shall have the choice to terminate the Agreement and have its deposit returned or it may elect to proceed. Seller does not commit to reducing the Purchase Price to match the Appraisal, if less than the Purchase Price ("Due Diligence Period"):

- (1) A current legal description of the property.
- (2) A current preliminary title report prepared by Chicago Title Company together with copies of all exceptions referenced or described therein.
- (3) All plans, drawings and specifications respecting the improvements, and any toxic or soil reports, engineering and architectural studies, grading plans, topographical maps and similar data respecting the property. Buyer shall be responsible to determine, in its sole discretion, the condition of the soils.
- (4) A list and complete copies of all service contracts, maintenance contracts, management contracts and warranties relating to the property.
- (5) A list and complete copies of all licenses, permits, maps, certificates of occupancy, building inspection approval and covenants, conditions and restrictions respecting the property.

During the due diligence period, Buyer shall also have the right to inspect the property with twenty-four hour notice.

Upon satisfaction of the Contingencies under this Paragraph II, Buyer shall release \$50,000 through escrow to Seller which shall become non-refundable but be applicable to the Purchase Price.

**III. Financing:**

There shall be no Financing Contingency.

**IV. Documents to be Delivered on the Closing Date:**

On the closing date, Buyer shall receive a grant deed conveying fee simple title to the real property and improvements to Buyer and assignments of all service contracts, warranties, licenses, permits and other documents which Buyer shall reasonably require.

**V. Prorations and Costs:**

Property taxes, rents, etc. shall be pro-rated as of close of escrow as per Alameda County custom. Buyer shall pay for title insurance and escrow fees; Seller shall pay for all County transfer and sales taxes, and Buyer and Seller shall each pay one-half of the City Transfer Tax.

**VI. Escrow Period:**

Escrow shall be opened at Chicago Title Company upon mutual Contract Execution and Seller shall prepare a mutually satisfactory purchase and sales agreement and escrow instructions. Close of escrow shall occur no later than December 1, 2025 based on the timeline and deposit schedule that is outlined below. If those steps deemed "Major" are not completed in a timely manner with documents provided to Seller, then Seller shall have the unilateral Right to Cancel Escrow, returning to Buyer only those deposits which have not become non-refundable and been passed through:

Days from Escrow Opening	Activity	Increased, non-refundable deposit due at completion of time period	"Major Step"
45	All physical due diligence and feasibility	\$50,000	
45	Buyer to execute contracts with LPC, N1, bond counsel and architect with any personal or financial information redacted.		Yes
135	Completion of Development and Design Drawings	\$100,000	Yes
225	Completion of Construction Drawings	\$100,000	Yes
315	Submittal for Plan Check to City of Oakland	\$250,000	Yes

#### VII. **Brokerage:**

Both parties acknowledge for the others benefit that they have had no dealings with any real estate broker other than Cushman & Wakefield of California, Inc. ("C&W") which shall be paid by Seller under separate agreement. C&W represents both Parties in this transaction which constitutes a Dual Agency. C&W agrees to reduce its fee by one (1%) percent, which Seller will credit to Buyer at Close of Escrow.

This letter is only a proposal to negotiate and is neither an offer nor a contract. This proposal is only a list of the above terms and conditions that may or may not become a part of the final Purchase Contract. This proposal is not intended to be binding or to impose any obligations whatsoever on either party, including any obligation to bargain in good faith. No covenants are implied. The parties do not intend to be bound by an agreement until both agree to sign a formal written contract.

In addition, this letter is submitted subject to review and acceptance of the final terms and conditions of the Purchase Contract and related documents. Nothing contained herein shall be binding on either party unless and until such documents are approved, fully executed and exchanged by both parties. Either party is free to terminate the negotiations at any time, and will not by doing so incur any additional obligations or liability.

By your acceptance hereof, you acknowledge and agree that this Letter of Intent is merely a statement of the general terms and conditions that are normally contained in a purchase agreement for a property of this nature. If Buyer and Seller decide to proceed with this transaction, all of the terms of the purchase agreement must be agreed to by both parties. This Letter shall remain valid until Friday, August 2, 2024, at which point it shall be of no further effect.

Both Buyer and Seller require approval from their respective Board of Directors, which shall be a contingency of entering into any binding agreement.

Sincerely,

**CUSHMAN & WAKEFIELD**



John H. McManus, CCIM, MCR  
Vice Chairman  
Lic.01129064

*Agreed and Accepted:*

By:

Its: \_\_\_\_\_

On: \_\_\_\_\_  
\_\_\_\_\_