

Mortenson Development

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November 21, 2003

Alameda County

NOV 21 2003

Environmental Health

Ms. Dona Drogos
Alameda County Health Care Services Agency
Department of Environmental Health
1131 Harbor Bay Parkway, 2nd Floor
Alameda, California 94502

Subject: Request for Tank Closure Letter Telecommunications Facility 229 Castro Street, Oakland, Ca. (STID 6690)

Dona,

As we discussed on Wednesday, Mortenson Development has entered into a Purchase agreement to sell the Oakland Telecommunication Access Center. (OTAC). The Closing Date for the transaction is December 30, 2003. Per your request a copy of the PURCHASE AGREEMENT is attached for your review. Thank you for keeping the terms and conditions Confidential.

As I explained the project development required studies and reports that identified procedures to ensure proper disposal and reuse of site soils and protection of Human Health and the environment both during construction and facility operation. All of these reports and actions have been completed and the agreed to deed restriction has been recorded.

In addition to these reports and actions a small underground tank (UST) was removed from 229 Castro Street. All work related to the removal of this UST was conducted on behalf of Mortenson by Krazan & Associates. Attached is the Krazan's report for the UNDERGROUND STORAGE TANK REMOVAL, 229 Castro Street, dated January 31, 2001.

For whatever reason Krazan's report is not in the County's file and it appears a Tank Closure Letter was never issued.

Counsel for the buyer is requiring a Tank Closure Letter prior to closing.

Your assistance in resolving this matter is greatly appreciated. Mortenson will pay any fees related to review of the file and staff time required for the issuance of the Tank Closure letter.

I will call you on Monday to discuss how we can proceed. If you have any questions I can be reached at 510-418-4322

Sincerely,


James Fey
Project Director

1807 Sausal St
Oakland 94602

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is made and entered into as of the 10th day of November, 2003 (the "Effective Date"), by and between OTAC Block 24, LLC, a Minnesota limited liability company ("Seller"), and Aegis Equity Partners, Inc., a California corporation ("Buyer").

RECITALS

A. Seller is the owner of certain improved property located at 720 Second Street, Oakland, California, and legally described on Exhibit A attached hereto.

B. The parties desire by this Agreement, and on the terms and conditions hereof, to provide for the sale of the Property (as defined below) from Seller to Buyer.

NOW THEREFORE, in consideration of the covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. Definitions.

As used in this Agreement, the following terms have the meanings set forth below:

Additional Deposit. As defined in Section 3.2.

Assignment of Leases. As defined in Section 4.2.1.

Bill of Sale. An "As-Is" bill of sale from Seller conveying the Personal Property to Buyer free and clear of any liens, but excluding any warranties of fitness, merchantability, or fitness for a particular purpose.

CAM Charges. As defined in Section 7.2.3.

Closing. As defined in Section 4.1.

Closing Date. December 30, 2003, unless extended pursuant to Section 3.3.

Contracts. All service contracts, maintenance agreements, or license agreements affecting the Property or the operation thereof.

Deed. A Grant Deed from Seller conveying the Land and the Improvements to Buyer subject only to the Permitted Exceptions and the rights of tenants under the Leases.

Due Diligence Documents. As defined in Section 6.1.3.

PAC Bell Lease. As defined on Exhibit D.

Permitted Exceptions. As defined in Section 5.1.

Personal Property. The personal property owned by Seller and described on Exhibit B hereto.

Purchase Price. As defined in Section 3.

Real Property. Collectively, the Land and the Improvements.

Property. Collectively, the Land, the Improvements and the Personal Property.

Section. A section of this Agreement.

Survey. As defined in Section 5.1.

Surviving Obligations. Those obligations in this Agreement which expressly survive the Closing or termination of this Agreement, including without limitation, the indemnities described in Sections 10 and 14.

Title Report. The preliminary title report issued by First American Title Insurance Company, dated October 8, 2003, as Order No. NCS 56727-CC.

Title Company. First American Title Company, 1850 Mount Diablo Blvd., Walnut Creek, Ca., or such other title company as Buyer may reasonably select and Seller may reasonably approve.

UST. As defined in Section 6.1.3.

2. Sale. Upon and subject to the terms and conditions of this Agreement, Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase from Seller, the Property.

3. Purchase Price. Buyer shall pay to Seller, as the purchase price (the "Purchase Price") for the Property (subject to Section 3.3), the sum of Ten Million and 00/100 Dollars (\$10,000,000.00), payable by Buyer to Seller as follows:

3.1 Initial Deposit. Within one business day following the Effective Date, Buyer must deposit with Title Company the amount of One Hundred Thousand and 00/100 Dollars (\$100,000.00) (the "Initial Deposit") in immediately available funds. This Agreement shall automatically terminate if Buyer does not deposit the Initial Deposit with Title Company by such date. Interest on the Initial Deposit, the Additional Deposit and the Extension Deposit shall accrue to the Buyer's benefit.

3.2 Additional Deposit. If Buyer has not previously terminated this Agreement pursuant to Section 6.1.4, then Buyer must deposit with Title Company an additional, non-refundable amount equal to One Hundred Thousand and 00/100 Dollars (\$100,000.00) (the "Additional Deposit") in immediately available funds by the expiration of the Due Diligence Period, time being of the essence. If Buyer has not previously terminated this Agreement pursuant to Section 6.1.4 but shall fail to timely make the Additional Deposit, this Agreement shall automatically terminate without notice by either party, the Earnest Money shall be delivered to Seller, and neither party shall have any liability to the other, except for Surviving Obligations. Any deposit paid pursuant to Sections 3.1, 3.2 or 3.3 shall be applicable towards the Purchase Price.

3.3 Purchase Price Increase. Buyer has one option to extend the Closing Date up to an additional thirty (30) days by simultaneously sending written notice (the "Extension Notice") of the extended Closing Date to Seller and Title Company at least ten (10) days prior to the scheduled Closing Date, and by delivering to Title Company an additional, non-refundable deposit equal to Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) (the "Extension Deposit") in immediately available funds, time being of the essence. Additionally, in consideration of such extension, upon such Extension Notice from Buyer, the Purchase Price shall automatically increase by Four Hundred Fifty Thousand and 00/100 Dollars (\$450,000.00) to a total of Ten Million Four Hundred Fifty Thousand and 00/100 Dollars (\$10,450,000.00). If Buyer fails to timely make the Extension Deposit, the Extension Notice shall be deemed ineffective.

3.4 Balance of the Purchase Price. Subject to the adjustments set forth in Section 7, Buyer shall deliver the balance of the Purchase Price to Title Company before the close of business on the last business day immediately before the Closing Date. This delivery shall be made by wire transfer of immediately available funds in accordance with the terms and conditions of this Agreement.

4. Closing.

4.1 Closing Date. The closing of the transaction contemplated hereby (the "Closing") shall occur on the Closing Date.

4.2 Closing Procedure. At the Closing:

4.2.1 Buyer shall deliver to Seller, in addition to any other items required by this Agreement, the following:

(a) the balance of the Purchase Price described in Section 3, plus any closing adjustments in favor of Seller, minus any closing adjustments in favor of Buyer, by wire transfer of immediately available U.S. Funds;

(b) a closing statement, duly executed by Buyer; and

(c) an assignment and assumption of leases (the "Assignment of Leases") in the form of Exhibit E hereto, duly executed by Buyer, whereby Seller assigns the Leases to Buyer, and Buyer accepts such assignment and assumes the Leases;

(d) a general assignment and assumption agreement (the "General Assignment") in the form of Exhibit F hereto, duly executed by Buyer, if required pursuant to Section 6.2;

(e) such other documents as may be reasonably and customarily required by law or Title Company in connection with the transaction contemplated by this Agreement, each duly executed and acknowledged (where applicable) by Buyer.

4.2.2 Seller shall deliver to Buyer, in addition to any other items required by this Agreement, the following:

(a) the Deed, duly executed and acknowledged by Seller;

(b) the Bill of Sale, duly executed by Seller;

(c) a non-foreign transferor certification pursuant to Section 1445 of the Internal Revenue Code, but disclaiming all other representations or warranties expressed or implied;

(d) a counterpart of the Assignment of Leases, duly executed by Seller;

(e) a counterpart of the General Assignment, duly executed by Seller, if required pursuant to Section 6.2;

(f) a closing statement, duly executed by Seller; and

(g) the estoppel certificates and/or subordination, non-disturbance and attornment agreements from the tenants under the Metro PCS Lease and the PAC Bell Lease, if obtained by Seller pursuant to Section 6.3.

(h) such other documents as may be reasonably and customarily required by law or Title Company in connection with the transaction contemplated by this Agreement, each duly executed and acknowledged (where applicable) by Seller.

4.3 Possession. Seller shall deliver possession of the Property to Buyer on the Closing Date (except in the event of condemnation or casualty in which case the provisions of Sections 8 or 9 will control), subject to the Contracts and the rights of tenants under the Leases.

5. Examination of Title by Buyer; Correction of Title.

5.1 Examination of Title. Buyer acknowledges receipt of the Title Report (along with copies of the documents disclosed in the Title Report) and a copy of the existing ALTA survey of the Real Property prepared by Brain Kangas Foulk, dated October 12, 2000 (last revised 4/15/02), as Job No. 20005166 (the "Survey"). Buyer shall have the right to have the Survey updated at its sole expense, provided that it delivers written notice to Seller of its election within five (5) days after the Effective Date, and delivers to Seller copies of the updated Survey when completed. The Survey and Title Report (together with all exceptions disclosed therein) shall hereinafter be referred to as the "Title Evidence". Buyer shall be allowed ten (10) days after the Effective Date for the examination of the Title Evidence and the making of any objections to the matters disclosed therein, said objections to be made in writing and delivered to Seller or deemed to have been waived. Buyer's election to update the Survey (if applicable) shall not extend Buyer's examination and objection period. Upon receipt of Buyer's objections, Seller shall have five (5) days to notify Buyer whether Seller is willing and able to remove the objected-to title exceptions. Upon the expiration of Buyer's examination period, all matters disclosed in the Title Report and Survey to which Buyer does not object shall become "Permitted Exceptions" (other than the standard preprinted exceptions and any deeds of trust, mortgages, or security agreements, all of which Seller shall cause to be removed at or prior to Closing) and Buyer shall have no further right to object to such matters. Notwithstanding anything to the contrary contained herein, the existing encroachments described on the Survey shall be a Permitted Exception to which Buyer may not object.

5.2 Correction of Title and Title Condition. If Buyer makes any objections to title pursuant to Section 5.1, Seller shall have the right, but not the obligation, to cure any such objection. Seller shall provide Buyer with notice within five (5) days of Seller's receipt of any such objection stating whether it intends to cure any such objection. If Seller elects to cure any such objection, Seller shall have the right to delay the Closing Date by up to thirty (30) days without any adjustment of the Purchase Price pursuant to Section 3.3 (and without an Extension Deposit being required of Buyer). If Seller elects not to or fails to cure any such objection within said thirty (30) day period, Buyer shall have the option to terminate this Agreement by written notice and receive a refund of the Earnest Money, or waive the objection and proceed to Closing without adjustment to the Purchase Price. Any matter that Buyer objects to but subsequently waives shall become a Permitted Exception. Upon correction of title or waiver of the specified defects by Buyer, Closing shall be held on the later of the Closing Date otherwise established pursuant to this Agreement or the first business day occurring five (5) days after the date title objections are cured or waived.

5.3 Closing Costs. Seller shall pay the cost of recording any documents necessary to clear title to the Land, the Alameda County transfer tax, one-half of the City of Oakland transfer tax, and one-half of any escrow or closing fee charged by the Title Company. Buyer shall pay the cost of the Title Report, any updates to the Survey, the premium for any owner's policy of title insurance, the cost of any title insurance endorsements, the premium for the lender's policy of title insurance, if any, the cost of

recording the Deed, the cost of any mortgage registry tax regarding any mortgage obtained by Buyer in connection with this transaction, one-half of the City of Oakland transfer tax, and one-half of the amount of any escrow or closing fee charged by the Title Company. All other closing costs shall be allocated between Seller and Buyer in accordance with the customary practice for similar transactions in the Alameda County area.

6. Contingencies; Contracts and Leases.

6.1 Buyer's Contingencies.

6.1.1 Buyer acknowledges that Seller has delivered the Environmental Reports to Buyer and will provide Buyer with the opportunity to inspect the physical condition of the Property. Seller makes no representation or warranty as to the accuracy of the Environmental Reports. Buyer shall have the right during the Due Diligence Period to enter onto the Property to make such inspections and perform such additional tests as Buyer deems reasonable and prudent to determine the physical condition of the Property, including, without limitation, the environmental condition of the Property. All such inspections and tests shall be conducted at Buyer's sole cost and expense in a manner that will not damage the Property or interfere with Seller's operations thereon. Buyer agrees to provide Seller with reasonable advance notice prior to entering onto the Real Property and Seller shall have the right to have a representative present. Buyer shall provide Seller with copies of all reports or other written material relating to such inspections or testing, which obligation shall survive termination of this Agreement. On or before the expiration of the Due Diligence Period, Buyer shall determine, in its sole discretion, if it is satisfied with the physical condition of the Property, including without limitation, the results of any soils and groundwater tests, compaction tests, engineering feasibility studies, environmental studies, and review of any and all governmental regulations and improvement obligations related to the Property. During the Due Diligence Period, Buyer shall also be entitled to (a) investigate all zoning, building code, subdivision, environmental and other governmental requirements affecting the Property and the improvements thereof, (b) all utility services and facilities and access to the Property, and (c) all other studies as to the economic feasibility and viability of the ownership, operation, and use of the Property.

6.1.2 On or before the expiration of the Due Diligence Period, Buyer shall determine if it has obtained a loan commitment to finance the acquisition of the Property on terms satisfactory to Buyer, in its sole discretion.

6.1.3 Within five (5) business days after the Effective Date, Seller shall make available for Buyer's review the documents and other materials described on Exhibit C (collectively, the "Due Diligence Documents"). Buyer acknowledges receipt of that certain Report dated January 31, 2001 (listed as Item No. 30 on Exhibit C) describing an underground storage tank (the "UST") that was removed from the Real Property. Within five (5) days after the Effective Date, Seller shall deliver written notice to Buyer indicating whether, to Seller's knowledge, a closure letter related to the removal of the UST was issued to Seller by the appropriate governmental agency. On or before the expiration of the Due

Diligence Period, Buyer shall determine if it is satisfied, in its sole discretion, with the matters disclosed in the Due Diligence Documents.

6.1.4 If any of the conditions in this Section 6.1 have not been satisfied on or before the expiration of the Due Diligence Period with respect to each condition, then Buyer may terminate this Agreement by written notice to Seller on or before the expiration of the Due Diligence Period (which shall be 5:00 PM (local California time)), in which case all Earnest Money shall be returned to Buyer and neither party shall have any further obligation to the other, except for the Surviving Obligations. The conditions in this Section 6.1 are specifically stated and for the sole benefit of Buyer. Buyer in its discretion may unilaterally waive any one or more of the conditions, or any part thereof, by notice to Seller.

6.2 Contracts. Buyer acknowledges that the Due Diligence Documents contain copies of the Contracts. To the extent that any of the Contracts are transferable to Buyer (without any additional cost to Seller), Buyer may deliver written notice to Seller indicating that Buyer desires to assume some or all of the Contracts. If Buyer gives such notice, Seller shall deliver the General Assignment to Buyer at the Closing.

6.3 Leases. Seller agrees to use commercially reasonable efforts to obtain (and deliver to Buyer) the following documents prior to or at Closing:

(a) An estoppel certificate from each of the tenants under the PAC Bell Lease and the Metro PCS Lease, each in the forms attached to such Lease and dated after the Effective Date of this Agreement; and

(b) A commercially reasonable Subordination, Non-Disturbance and Attornment Agreement from each of the tenants under the PAC Bell Lease and the Metro PCS Lease (and, in furtherance of such effort, Seller agrees to submit to and request from such tenants a Subordination, Non-Disturbance and Attornment Agreement in the form attached hereto as Exhibit G).

Notwithstanding the foregoing, Seller's failure to deliver the foregoing documents shall not be deemed a default hereunder. If Seller is unable to obtain the foregoing documents by the Closing Date, Seller shall have the right to delay the Closing Date by up to thirty (30) days without any adjustment to the Purchase Price pursuant to Section 3.3 (and without an Extension Deposit being required of Buyer). If Seller fails to obtain the foregoing documents within said thirty (30) day period, Buyer shall have the option to terminate this Agreement by written notice and receive a refund of the Earnest Money, or proceed to Closing without adjustment to the Purchase Price.

7. Prorations.

7.1 Taxes and Special Assessments. All real estate taxes and personal property taxes (if any) related to the Property (the "Taxes") and payable in 2003 shall be prorated as of the Closing Date. To the extent the Taxes are not known on the Closing Date,

they shall be prorated based upon Taxes assessed with respect to the Property as set forth in the most recent tax bills for the Property, with an adjustment made following the issuance of final tax bills (at either party's written request). Seller shall be responsible for (and shall be entitled to all refunds with respect to) all Taxes payable prior to the Closing Date and Buyer shall assume all Taxes payable with respect to the Property as of the Closing Date and thereafter. Buyer shall assume all special assessments (and charges in the nature of or in lieu of such assessments) levied, pending or constituting a lien with respect to any of the Property as of the Closing Date. The terms of this Section shall survive the Closing.

7.2 Leases.

7.2.1 Rents. All rents and other amounts payable under the Leases will be prorated as of the Closing Date. At the Closing, Seller will pay to Buyer in cash the amount of any security deposits actually held by Seller under the Leases (if any) and any prepaid rentals actually paid to or received by Seller for periods subsequent to the Closing (if any); provided, however, non-refundable payments, deposits, or fees collected by Seller shall not be prorated.

7.2.2 Delinquent Rents. Rents delinquent at the Closing Date but collected later, shall be prorated to the Closing Date when collected. Rents collected after the Closing Date from tenant's whose rental was delinquent at Closing shall be deemed to apply first to the current rental due to the Buyer. Buyer shall not be obligated to take any steps to recover any rent accruing prior to Closing. Seller may take action (upon notification to Buyer) to sue a tenant for delinquent rent due to Seller (and not previously paid to Seller) so long as such suit does not seek a termination of such Lease or eviction of such tenant. Rents collected by Buyer after the Closing Date to which Seller is entitled shall be promptly paid to Seller.

7.2.3 CAM Charges. Where the Leases contain tenant obligations for taxes, common area expenses, operating expenses or additional charges of any other nature ("CAM Charges"), and where Seller shall have collected any portion thereof in excess of amounts incurred by Seller for such items for the period prior to the Closing Date, then there shall be an adjustment and credit given to Buyer at the Closing for such excess amounts collected. Buyer, if required by the Leases, shall rebate or credit tenants with such excess. If it is determined after the Closing that the amount collected during Seller's ownership period exceeded expenses incurred during the same period by more than the amount previously credited to Buyer at the Closing, then Seller promptly shall pay to Buyer the deficiency. If it is determined after the Closing that the amount collected during Seller's ownership period is less than the expenses incurred by Seller during the same period, then Buyer promptly shall pay to Seller the deficiency, subject to Buyer's right to apply any such amount to the expense reimbursements due to Buyer on or after the Closing pursuant to Section 7.3. Seller shall not receive at Closing any credit for expense reimbursements which have not actually been incurred by Seller and collected from tenant. The foregoing obligations shall survive the Closing and recordation of the Deed.

7.3 Other Prorations. A proration of all expenses with respect to the Property shall be made as of the Closing Date, with Seller being obligated to pay expenses relating to the period before the Closing Date and with Buyer being obligated to pay expenses relating to the Closing Date and thereafter. In the event that any item of expense (other than real estate taxes and special assessments) cannot be determined as of the Closing Date, a proration shall be made based on Seller's and Buyer's best estimate of such item, and an appropriate payment shall be made from Seller to Buyer or from Buyer to Seller when such item is finally determined. In making the prorations required by this Section 7, the economic burdens and benefits of ownership of the Property for the Closing Date shall be allocated to Buyer. Seller and Buyer agree to use commercially reasonable efforts to read all utility meters as of the Closing Date and prorate the utilities accordingly. Additionally, Seller and Buyer agree that any other proration that cannot be determined as of the Closing Date shall be reconciled with a reimbursement to the appropriate party upon written request by either party, provided that such reconciliation and request must occur within sixty (60) days after the Closing Date.

8. Condemnation. If any portion of the Real Property is (i) condemned or taken in eminent domain proceedings prior to Closing, or (ii) access or access to the Property is materially affected by condemnation or eminent domain proceedings by any public authority or by reason of condemnation, or (iii) eminent domain proceedings by any public authority a portion of the Property is taken that gives rise to a tenant's right to terminate is lease and the tenant has elected to so terminate either Seller or Buyer may terminate this Agreement by notice to Seller given on or before the Closing Date, and, in the event of such termination, this Agreement will be of no further effect, all Earnest Money shall be paid to Buyer, neither party will thereafter have any further obligation under this Agreement, except for the Surviving Obligations. If this Agreement is not so terminated, the Closing will take place as provided in this Agreement without abatement of or reduction in the Purchase Price, and Seller will assign and transfer to Buyer on the Closing Date all of Seller's right, title and interest in and to all condemnation awards paid or payable to Seller, less such portion thereof as may have been applied to restoration prior to the Closing Date, if any. Seller will have no obligation to repair or restore any damage caused by condemnation.

9. Damage or Destruction. If the Property or any part thereof is damaged by fire or other casualty prior to the Closing Date which would cost in excess of \$200,000.00 to repair, Buyer may terminate this Agreement by written notice to Seller given on or before the Closing Date. In the event of such termination, this Agreement will be of no further effect, the Earnest Money shall be paid to Buyer, and neither party will thereafter have any further obligation under this Agreement, except for the Surviving Obligations. If Buyer does not elect to terminate this Agreement, then the Closing will take place as herein provided without abatement of or reduction in the Purchase Price, and Seller will assign and transfer to Buyer on the Closing Date by all of Seller's right, title and interest in and to all insurance proceeds paid or payable to Seller on account of such fire or casualty, less such portion thereof as may have been applied to restoration prior to the Closing Date (subject to Buyer's reasonable approval), if any. If the Property or any part thereof is damaged by fire or other casualty prior to the Closing Date repair of which would cost \$200,000.00 or less and such

damage would not materially impair Buyer's ability to conduct its business from the Property for more than ninety (90) days (as determined by Seller and Buyer in good faith) and if insurance proceeds are sufficient to restore the Property and all Improvements and Personal Property located thereon, Buyer will not have the right to terminate its obligations under this Agreement by reason thereof or to any reduction in the Purchase Price, and the Closing will take place as herein provided, but Seller will assign and transfer to Buyer on the Closing Date all of Seller's right, title and interest in and to all insurance proceeds paid or payable to Seller on account of any such fire or casualty, less such portion as may have been applied to restoration prior to the Closing Date, if any. In addition, if any insurance proceeds are assigned to Buyer pursuant to this Section, Seller shall also give Buyer a credit at closing in the amount of the deductible. Seller shall have no obligation to repair or restore any damage caused by fire or casualty.

10. Real Estate Commissions. Seller represents and warrants to Buyer that Cushman & Wakefield of California, Inc. ("Broker") is representing Seller in connection with the sale of the Property. Any fee payable to Broker shall be paid by Seller pursuant to the terms of a separate agreement between Seller and Broker. Buyer and Seller each represent and warrant to the other that each has not entered into any other contract or agreement with any broker, finder or other party in connection with this transaction other than Broker and that each has taken no action which could result in any broker's, finder's or other fee or commission being payable to any party with respect to the transaction contemplated hereby except as set forth above. Seller and Buyer each agree to indemnify and hold the other harmless from any claim by any broker, finder or other party for a fee or commission as a result of the actions of the indemnifying party. The provisions of this Section 10 shall survive termination of this Agreement.

11. Condition of Property.

11.1 Removal of Seller's Property. Seller shall have the right, at any time prior to the Closing Date to remove from the Real Property all of its equipment and personal property and trade fixtures, except for building mechanical and HVAC systems and the Personal Property. Seller shall restore or repair any damage to the Property occasioned by the removal thereof.

11.2 Sale "As Is". SELLER AND BUYER AGREE THAT BUYER IS ACCEPTING POSSESSION OF THE PROPERTY ON THE CLOSING DATE "AS IS, WHERE IS, WITH ALL FAULTS" WITH NO RIGHT OF SET-OFF OR REDUCTION IN THE PURCHASE PRICE, AND THAT EXCEPT AS EXPLICITLY SET FORTH IN THIS AGREEMENT, SUCH SALE SHALL BE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTY OF INCOME POTENTIAL, OPERATING EXPENSES, USES, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND SELLER DOES HEREBY DISCLAIM AND RENOUNCE ANY SUCH REPRESENTATION OR WARRANTY. BUYER SPECIFICALLY ACKNOWLEDGES THAT BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES

OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER, SELLER'S AGENTS, OR BROKERS AS TO ANY MATTER CONCERNING THE PROPERTY AND THAT EXCEPT AS SET FORTH HEREIN, BUYER IS RELYING ENTIRELY ON ITS OWN INSPECTIONS AND OTHER DUE DILIGENCE ACTIVITY, WITHOUT ANY PHYSICAL OR ENVIRONMENTAL REPRESENTATIONS OR WARRANTIES OF ANY KIND BY SELLER. BUYER ACKNOWLEDGES THAT SELLER HAS PROVIDED BUYER WITH COMPLETE AND FULL ACCESS TO THE PROPERTY FOR PURPOSES OF CONDUCTING SUCH TESTS AND INSPECTIONS AS BUYER DEEMS PRUDENT.

11.2 RELEASE OF SELLER. BUYER, FOR BUYER AND BUYER'S SUCCESSORS AND ASSIGNS, RELEASES SELLER FROM, AND WAIVES ALL CLAIMS AND LIABILITY AGAINST SELLER FOR, ANY STRUCTURAL, PHYSICAL, OR ENVIRONMENTAL CONDITIONS AT THE PROPERTY AND FURTHER RELEASES SELLER FROM, AND WAIVES ALL LIABILITY AGAINST SELLER ATTRIBUTABLE TO, THE STRUCTURAL, PHYSICAL, AND ENVIRONMENTAL CONDITION OF THE PROPERTY, INCLUDING WITHOUT LIMITATION THE PRESENCE, DISCOVERY, OR REMOVAL OF ANY ASBESTOS CONTAINING MATERIALS AND HAZARDOUS MATERIAL IN, AT, ABOUT, OR UNDER THE PROPERTY, OR FOR, CONNECTED WITH OR ARISING OUT OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON ANY HAZARDOUS MATERIAL LAWS. BUYER HEREBY ACKNOWLEDGES AND AGREES THAT IT SHALL RELY SOLELY ON THE INVESTIGATIONS, INFORMATION, STUDIES, AND REPORTS PREPARED BY OR THROUGH BUYER WITH REGARD TO HAZARDOUS MATERIAL, INCLUDING BUT NOT LIMITED TO ASBESTOS CONTAINING MATERIALS, UNDERGROUND STORAGE TANKS, AND PCBS, IN, AT, OR UNDER THE PROPERTY. BUYER SHALL MAKE SUCH STUDIES AND INVESTIGATIONS, CONDUCT SUCH TESTS AND SURVEYS, AND ENGAGE SUCH SPECIALISTS AS BUYER DEEMS APPROPRIATE TO EVALUATE FAIRLY THE PROPERTY AND THE RISKS OF OWNERSHIP AND OPERATION OF THE PROPERTY RELATED TO HAZARDOUS MATERIAL.

12. Representations and Warranties.

12.1 By Seller. Seller hereby represents and warrants to Buyer as follows:

(a) The persons executing this Agreement and any documents required hereunder are or will be duly authorized by Seller to do so.

(b) The execution, delivery, and performance by Seller of this Agreement and all instruments and agreements contemplated hereby will not result in a breach or violation of, or constitute a default under, any agreement, instrument, indenture, law, regulation, ordinance, order or decree to which Seller is a party or by which Seller or the Property is bound.

(c) To Seller's actual knowledge, there is no litigation or proceeding pending against or affecting the Property or any part thereof or pending against Seller that would impair Seller's ability to consummate the transaction contemplated herein.

(d) To the best of the Seller's actual knowledge, there is no sale contract, or installment contract in effect with respect to the Real Property or any portion thereof. No person has been granted an option, a right of first refusal, or other rights to purchase or acquire the Real Property.

(e) There have been no bankruptcy or dissolution proceedings involving Seller during the time Seller has had any interest in the Property.

(f) To the best of the Seller's actual knowledge, (i) the Leases are in full force and effect, and (ii) Seller has not sent or received any notice of default under any Lease.

(g) To Seller's actual knowledge, there is no litigation or proceeding pursuant to or based on any Hazardous Material Law pending against or affecting the Property (a "Hazardous Material Action") and Seller has not received any written notice threatening the commencement of a Hazardous Material Action.

Buyer's right to institute a legal action for breach of any of the representations or warranties in this Section 12.1 shall terminate twelve (12) months after the Closing Date. If Buyer closes on the purchase of the Property with actual knowledge that any representation or warranty in this Section 12.1 is untrue, Buyer shall be deemed to have waived the benefit of such representation or warranty.

Except to the extent otherwise set forth on a Certificate delivered to Buyer as provided below, the foregoing representations and warranties shall automatically be deemed to have been remade by Seller as of the Closing Date. Seller agrees to execute and deliver to Buyer at Closing a written certification to Buyer disclosing, where applicable, the extent to which Seller cannot remake said representations and warranties as of the Closing Date (the "Certificate"). The Certificate shall be executed by an authorized signatory of Seller and Seller shall deliver the Certificate to Buyer at Closing. Upon delivery to Buyer, the Certificate shall be deemed to constitute a part of this Agreement.

12.2 By Buyer. Buyer hereby represents and warrants to Seller as follows:

(a) The persons executing this Agreement and any documents required hereunder are or will be duly authorized by Buyer to do so.

(b) The execution, delivery, and performance by Buyer of this Agreement and all instruments and agreements contemplated hereby will not result in a breach or violation of, or constitute a default under, any agreement, instrument, indenture, law,

regulation, ordinance, order, or decree to which Buyer is a party or by which Buyer is bound.

Seller's right to institute a legal action for breach of any of the representations or warranties in this Section 12.2 shall terminate twelve (12) months after the Closing Date. If Seller closes on the purchase of the Property with actual knowledge that any representation or warranty in this Section 12.2 is untrue, Seller shall be deemed to have waived the benefit of such representation or warranty.

13. Default.

13.1 By Seller. If Closing shall not occur as and when provided in this Agreement by reason of a default by Seller, then Buyer shall be entitled, at its option, (i) to declare this Agreement to be null and void, in which event all Earnest Money shall be paid to Buyer and this Agreement shall terminate, and neither party shall have any further claims against, obligations to, or rights against the other hereunder (except for the Surviving Obligations), or (ii) to enforce this Agreement by an action for specific performance brought within six (6) months following the scheduled Closing Date.

13.2 By Buyer. IN THE EVENT BUYER BREACHES OR FAILS TO PERFORM ITS OBLIGATION TO PURCHASE THE PROPERTY AS REQUIRED UNDER THIS AGREEMENT, THEN SELLER SHALL, AS ITS SOLE REMEDY THEREFOR, BE ENTITLED TO RECEIVE THE DEPOSIT MADE PURSUANT TO SECTIONS 3.1, 3.2 AND 3.3, RESPECTIVELY, INCLUDING ALL INTEREST EARNED AND ACCRUED THEREON, AS LIQUIDATED DAMAGES AND NOT AS A PENALTY IN LIEU OF AND AS FULL COMPENSATION FOR, ALL OTHER RIGHTS OR CLAIMS OF SELLER AGAINST BUYER BY REASON OF SUCH DEFAULT. THEREUPON THIS AGREEMENT SHALL TERMINATE AND THE PARTIES SHALL BE RELIEVED OF ALL FURTHER OBLIGATIONS AND LIABILITIES HEREUNDER, EXCEPT FOR SURVIVING OBLIGATIONS. BY INITIALING THIS AGREEMENT AT THE END OF THIS SECTION 13.2, BUYER AND SELLER ACKNOWLEDGE THAT THE DAMAGES TO SELLER RESULTING FROM BUYER'S BREACH WOULD BE DIFFICULT, IF NOT IMPOSSIBLE TO ASCERTAIN WITH ANY ACCURACY, AND THAT THE LIQUIDATED DAMAGE AMOUNT SET FORTH IN THIS SECTION REPRESENTS BOTH PARTIES' EFFORT TO APPROXIMATE SUCH POTENTIAL DAMAGES.



SELLER



BUYER

14. Indemnity. Buyer hereby indemnifies, defends and holds harmless Seller from and against any and all liability, loss, damage, claim, cost, or expense (including reasonable attorneys' fees and mechanic's liens) to the extent resulting from any entry upon or inspection of the Property by Buyer, its employees, agents, assigns, contractors, or any other person for whom Buyer is legally responsible. The provisions of this Section 14 shall survive termination of this Agreement.

15. Attorneys' Fees and Costs. In any action to enforce this Agreement or arising out of this Agreement, the prevailing party shall be entitled to payment from the other party of the prevailing party's costs of litigation, including reasonable attorneys' fees.

16. Survival. All covenants, agreements, indemnities and representations of Buyer and Seller under this Agreement shall survive Closing.

17. Operations After Date of This Agreement.

17.1 Standard of Maintenance. Prior to Closing, Seller will cause the Property to be operated, insured, and maintained in accordance with Seller's customary and usual practices for similar facilities.

17.2 New Leases and Contracts. After the expiration of the Due Diligence Period, Seller will not, without Buyer's consent, (i) enter into any service, lease, management or other contracts that cannot be terminated as of the Closing Date without the payment of a premium or penalty, or (ii) enter into any amendment or modification of any Lease.

18. Notice. Any notice or other communication provided for herein or given hereunder to a party hereto shall be in writing, and shall be deemed given when personally delivered to a party set forth below (or an officer or partner thereof where the party is a corporation) or when sent by nationally-recognized overnight delivery service, with proof of delivery, delivery charges prepaid, in either case addressed as follows:

To Seller: OTAC Block 24, LLC
c/o Mortenson Development Inc.
700 Meadow Lane North
Minneapolis, MN 55422
Attention: Tom Lander

with a copy to:

Faegre & Benson
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402
Attention: John R. Wheaton

To Buyer: Terrence McGrath

Aegis Equity Partners, Inc.
130 Webster Street,
Oakland, CA 94607

19. Assignment. Buyer may not assign its rights under this Agreement without the prior written consent of Seller, which consent may be given or withheld by Seller in its discretion, provided that Seller shall consent to an assignment to an affiliate of Buyer of which Terrence McGrath is the Managing Partner. Notwithstanding anything to the contrary in this Agreement or any such assignment instrument, no such assignment shall relieve Buyer of its obligations hereunder.

20. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties relating to the transaction contemplated hereby and may not be amended, waived or discharged except by an instrument in writing executed by the party against whom enforcement of such amendment, waiver or discharge is sought. If any clauses or provisions herein contained would invalidate this Agreement in whole or in part, such clauses or provisions only shall be invalid, and the remainder of this Agreement will remain in full force and effect.

21. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the state in which the Property is located.

22. Successors and Assigns. Subject to the limitations of Section 19 herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

23. Time of Essence; Counterparts. Time is of the essence of this Agreement, including, without limitation, the Closing Date. This Agreement may be executed in one or more counterparts, each of which will be deemed an original.

24. Confirmation. Upon termination of this Agreement for any reason, Seller and Buyer shall execute and deliver an agreement, in recordable form, evidencing the termination of this Agreement.

25. Tax-Deferred Exchange. If either party desires to transfer the Property through an exchange transaction under Internal Revenue Code Section 1031 (the "Exchanging Party"), the other party ("Other Party") agrees to cooperate with the exchange so long as (a) the Other Party bears no expense in connection with such cooperation, (b) the Other Party incurs and assumes no additional risk or liability, (c) the exchange will not result in any impairment or restriction of any remedies or rights of the Other Party, (d) the Closing is not delayed as a result of the exchange, and (e) the Other Party is not required to take or hold title to any exchange property. The Exchanging Party agrees to indemnify, protect, hold harmless and defend the Other Party from and against any claims, damages, costs, liabilities, losses, and expenses, (including reasonable attorney fees) arising out of the exchange

transaction. This indemnity shall survive the closing of this transaction contemplated by this Agreement.

26. Confidentiality. Seller and Buyer agree to retain the confidentiality of the identity of the other, of the terms of this Agreement and any due diligence materials related to the Property, and not to disclose the same to any third party, other than to the extent required by applicable law.

[Signature Page to Follow]


IN WITNESS WHEREOF, the parties hereto have hereunder set their hands as of the date and year first above written.

SELLER:

OTAC BLOCK 24, LLC

By: 
Peter A. Conzemius

Its: Treasurer

BUYER:  

By: TERRENCE MCGRATH

Its: PRESIDENT

M1:1043216.06

EXHIBIT A

Legal Description

The real property located in the County of Alameda, State of California, and legally described as follows:

PARCEL ONE:

LOTS 7 AND 8, BLOCK 24, AS SAID LOTS AND BLOCK ARE SHOWN ON KELLERSBERGER'S COMPLETE MAP OF OAKLAND, FILED JUNE 16, 1870, BOOK 1 OF MAPS, PAGE 21, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY.

EXCEPTING AND RESERVING THEREFROM TO GRANTOR, ITS SUCCESSORS AND ASSIGNS FOREVER, ALL MINERALS, OIL AND GAS RIGHTS BELOW A DEPTH OF 500 FEET, WITHOUT RIGHT OF SURFACE ENTRY.

ASSESSOR'S PARCEL NO. 001-0117-001

PARCEL TWO:

LOTS 1 TO 6, INCLUSIVE, LOTS 9 TO 13, INCLUSIVE, AND LOTS 24 TO 28, INCLUSIVE, IN BLOCK 24, AS SAID LOTS AND BLOCK ARE SHOWN ON KELLERSBERGER'S COMPLETE MAP OF OAKLAND, FILED JUNE 16, 1870, IN BOOK 1 OF MAPS, PAGE 21, IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY.

ASSESSOR'S PARCEL NO. 001-0117-002

PARCEL THREE:

LOTS 14 TO 23, INCLUSIVE, BLOCK 24, KELLERSBERGER'S MAP OF OAKLAND, ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF ALAMEDA COUNTY.

ASSESSOR'S PARCEL NO. 001-0117-003

EXHIBIT C

Due Diligence Documents

1. Binder labeled OTAC Lease Agreements containing copies of:
 - A. Lease by and between Oakland Telecommunications Access Center One, LLC, as Landlord, and Metro PCS, Inc., as Tenant, dated June 13, 2001.
 - B. Letter dated August 16, 2001 from Mortenson Development, Inc. to Metro PCS establishing the Delivery Date.
 - C. Radio/Communication Site License Agreement by and between Oakland Telecom Access Center One, LLC, as Licensor, and Metro PCS California/Florida Inc., as Licensee, undated, but executed by both parties.
 - D. Utility Access Agreement by and between OTAC Block 24 LLC, as Licensor, and Metropolitan Fiber Systems of California, Inc., as Licensee, dated April 21, 2003.
 - E. Letter dated June 6, 2003, from Mortenson Development Inc. to Kevin Gdanski and substitute page for above Utility Access Agreement.
 - F. Lease by and between Oakland Telecommunications Access Center One, LLC, as Landlord, and Pacific Bell Wireless LLC, as Tenant, undated, but executed by Landlord on June 26, 2001 and Tenant on June 19, 2001.
 - G. Letter dated August 16, 2001 from Mortenson Development, Inc. to Pacific Bell Wireless LLC establishing the Delivery Date.
 - H. Letter dated November 19, 2001 from Mortenson Development to Pacific Bell Wireless LLC confirming the commencement date.
 - I. Permit Inspection Record from the City of Oakland for permit issued October 27, 2000 and final date of November 7, 2001.
 - J. Lease by and between Oakland Telecommunications Access Center One, LLC, as Landlord, and M.A. Mortenson Company, as Tenant, dated December 1, 2003.
 - K. License Agreement by and between Oakland Telecommunications Access Center One, LLC, as Licensor, and Time Warner Telecom of California, L.P., as Licensee, dated December 27, 2001.

2. Binder labeled Oakland Telecom Access Center Environment Documentation containing copies of:
 - A. Letter dated July 31, 2000 from Alameda County Health Care Services Agency to the Port of Oakland and Mortenson Development Company.
 - B. Report dated July 31, 2000 titled Conceptual Site Model and Risk Assessment Proposed Commercial Development 720 Second Street & 229 Castro Street, Oakland, CA prepared by Cruzan & Associates.
 - C. Report dated July 31, 2000 titled Short Term Risk Management Plan Proposed Commercial Development 720 Second Street & 229 Castro Street, Oakland, CA prepared by Cruzan & Associates.

- D. Report dated July 31, 2000 titled Long Term Risk Management Plan Proposed Commercial Development 720 Second Street & 229 Castro Street, Oakland, CA prepared by Cruzan & Associates.
 - E. Report dated July 7, 2000, titled Health and Safety Plan Soil Excavation and Construction Oakland Telecom Access Center, Oakland, California, prepared by IHI Environmental, Inc.
 - F. Report dated July 10, 2000, titled Storm Water Pollution Prevention Plan for Mortenson Oakland Telecom Access Center, Oakland, California, prepared by Brian Kangas Foulk.
3. Preliminary Title Report and set of exceptions to Title dated September 26, 2003 for 710 and 720 2nd Street, 229 Castro Street, Oakland, California issued by Chicago Title Company.
 4. CD-Rom containing complete set of construction documents including civil, electrical, fire protection, landscape, mechanical, plumbing and structural plans. 536 files in total.
 5. Document titled Oakland Telecom Access Center Current Income Projection.
 6. Document titled Oakland Telecom Access Center Operating Expense Projections.
 7. Document titled OTAC Contact Information.
 8. Document titled Oakland Telecom Access Center Income Statement for the Period Ended December 31, 2002.
 9. Document titled OTAC Block 24, LLC Income Statement for the Period ended September 30, 2003.
 10. Document titled OTAC Block 24, LLC Income Statement for the Period ended October 24, 2003.
 11. Copy of Alameda County Secured Property Tax Statement for 1-117-1 for 2002-2003.
 12. Copy of Alameda County Secured Property Tax Statement for 1-117-2 for 2002-2003.
 13. Copy of Alameda County Secured Property Tax Statement for 1-117-3 for 2002-2003.
 14. Copy of Alameda County Secured Property Tax Statement for 1-117-2-1 for 2003-2004.

15. Copy of Alameda County Secured Property Tax Statement for 1-117-3 for 2003-2004.
16. Copy of EBMUD water bill for account 50476712.
17. Copy of EBMUD water bill for account 50476702.
18. Copy of PG&E bill dated October 2003 for account number 8711204586-6.
19. Copy of ALTA survey with latest revision date of 4/15/02 prepared by Brian Kangas Foulk.
20. Copy of Certificate of Occupancy No. 02-1332.
21. Copy of Permit Inspection Record, Superstructure B0003986.
22. Copy of Port of Oakland Conditions of Approval, approved on 5/16/2000.
23. Copy of letter dated March 6, 2001 from Port of Oakland to Community and Economic Development Agency.
24. Copy of Letter dated March 6, 2001 from Mortenson Development, Inc. to Claudette Ford, City of Oakland.
25. Copy of letter dated February 19, 2002 from Simpson Gumpertz & Heger Inc. to James Fey, OTAC.
26. Copy of letter dated April 10, 2003 from Bay Area Air Quality Management District to Oakland Telecommunications Access Center, with copy of Permit to Operate No. 6804, Conditions, and email from Victor Morales-Laimon.
27. Copy of letter dated November 26, 2002 from Bay Area Air Quality Management District to Metro PCS California/Florida Inc, with copy of Permit to Operate No. 3241 and Conditions.
28. Copy of letter dated March 20, 2002 from Bay Area Air Quality Management District to Cingular Wireless, with copy of Permit to Operate No. 03711 and Conditions.
29. Copy of Draft Purchase and Sale Agreement.
30. Report dated January 31, 2001 titled Underground Storage Tank Removal, 229 Castro Street, Oakland California, prepared by Krazan & Associates, Inc.

EXHIBIT D

List of Leases

1. Lease by and between Oakland Telecommunications Access Center One, LLC, as Landlord, and Metro PCS, Inc., as Tenant, dated June 13, 2001 (the "Metro PCS Lease").
2. Lease by and between Oakland Telecommunications Access Center One, LLC, as Landlord, and Pacific Bell Wireless LLC (the "PAC Bell Lease").
3. Lease by and between Oakland Telecommunications Access Center One, LLC, as Landlord, and M.A. Mortenson Company, as Tenant, dated December 1, 2003.

EXHIBIT E

Form of Assignment of Leases

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES (this "Assignment") is made and entered into as of _____, 20 __, by and between OTAC Block 24, LLC, a Minnesota limited liability company ("Assignor"), and _____, a _____ ("Assignee").

AGREEMENTS:

Assignor, for good and valuable consideration, the receipt of which is hereby acknowledged, hereby GRANTS, TRANSFERS and ASSIGNS to the Assignee all of Assignor's right, title and interest in and to (i) any and all leases (the "Leases," whether one or more), demising space in or otherwise relating to the improvements now existing on the land described on Exhibit A, attached hereto and made a part hereof (collectively, the land with improvements are referred to herein collectively as the "Premises"); and (ii) all security deposits, if any, held by Assignor under the Leases (collectively the items described in (i) and (ii) above are referred to herein collectively as the "Property").

TO HAVE AND TO HOLD the Property, together with all and singular the rights, titles, and interests thereto in anywise belonging, to Assignee, its successors and assigns forever, subject to the matters to which that certain Grant Deed ("Deed") of even date herewith from Assignor to Assignee conveying the tract of land described on Exhibit A hereto is made subject as fully as if and for all purposes as if the Property were included and described in the Deed.

Assignor has executed this Agreement and has GRANTED, TRANSFERRED and ASSIGNED the Property and Assignee has accepted this Assignment and purchased the Property AS IS AND WHEREVER LOCATED, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF WHATSOEVER NATURE, EXPRESS, IMPLIED OR STATUTORY, IT BEING THE INTENTION OF ASSIGNOR AND ASSIGNEE TO EXPRESSLY NEGATE AND EXCLUDE ALL WARRANTIES WHATSOEVER.

Assignee hereby assumes and agrees to pay and perform all of the terms, covenants, conditions and obligations of the Assignor of the Premises under or with respect to the Property arising or accruing on or after the date hereof, and agrees to indemnify and hold Assignor harmless from and against any claims, costs or liabilities in connection therewith arising or accruing on or after the date hereof. Assignor agrees to indemnify and hold Assignee harmless from and against any claims, costs or liabilities in connection with the Property arising or accruing on or before the effective date hereof.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands as of the date and year first above written.

ASSIGNOR:

OTAC Block 24, LLC,
a Minnesota limited liability company

By: _____

Its: _____

ASSIGNEE:

By: _____

Its: _____

EXHIBIT F

Form of General Assignment

GENERAL ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS GENERAL ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment") is made and entered into this ____ day of _____, 2003, by and between OTAC Block 24, LLC, a Minnesota limited liability company ("Assignor"), and _____, a _____ ("Assignee").

WITNESSETH:

For and in consideration of the sum of Ten and No/100 Dollars (\$10.00), the conveyance by the Assignor to the Assignee of the improved real property located in the Alameda County, California, and more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Property"), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor hereby transfers, grants, conveys and assigns to the Assignee the following, to-wit:

1. All of the Assignor's right, title and interest in and to the existing agreements and contracts set forth on Exhibit B hereto relating to the operation of the Property (the "Assigned Contracts").
2. All of the Assignor's right, title and interest in and to any assignable or otherwise transferable licenses, permits, certificates of occupancy and other governmental approvals relating to the Property (the "Permits").
3. All of Assignor's right, title and interest in the architectural plans for the improvements located on the Property, if any, and to the extent assignable; subject to the terms and conditions described in such architectural plans and/or the contracts related thereto.

With respect to the Assigned Contracts, the Assignee hereby assumes the Assigned Contracts and agrees to perform all of the obligations of the Assignor arising under the Assigned Contracts accruing on, from and after the date hereof. This Assignment shall be governed in accordance with the laws of the State of California. This Assignment may be executed in any number of counterparts, each of which, when executed and delivered, shall be an original, and such counterparts together constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed this Assignment as of the day and year first above written.

ASSIGNOR:

OTAC Block 24, LLC,
a Minnesota limited liability company

By: _____

Its: _____

ASSIGNEE:

By: _____

Its: _____

EXHIBIT G

Form of Subordination, Non-Disturbance and Attornment Agreements

WHEN RECORDED RETURN TO:

When Recorded, Return To:

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement"), is dated as of the ____ day of _____ 20__, and is executed by and among _____ ("Lender"), with its principal office at _____ attn. Real Estate and Commercial Mortgage Manager; _____ ("Tenant"), having an address at _____; and _____ ("Borrower") having an address of c/o Aegis Equity Partners, 130 Webster Street, Suite 200, Oakland, California 94607.

WITNESSETH:

WHEREAS, Borrower is the owner in fee simple of that certain real property and all improvements thereon situated at **720 Second Street, Oakland, State of California**, more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Tenant has entered into that certain Lease Agreement dated _____, as the same may have been or may be amended ("Lease"), with Borrower covering a portion of the Property consisting of certain premises more fully described in said Lease ("Leased Premises");

WHEREAS, by Deed of Trust, Security Agreement, Financing Statement and Fixture Filing with Absolute Assignment of Rents and Leases, as the same may be amended or otherwise modified from time to time (the "Deed of Trust") and by an Absolute Assignment of Leases, Rents and Income, as the same may be amended or otherwise modified from time to time ("Assignment of Leases"), recorded or to be recorded in the Official Records of the County of Alameda, State of California, concurrently with or prior to the recordation of this Agreement, Borrower has granted a first deed of trust lien and security interest in the Property and the Leased Premises and an assignment of all leases, rents and income to and from the Property and the Leased Premises to Lender; and

WHEREAS, Tenant agrees to subordinate the Lease to the lien and charge of the Deed of Trust and the Assignment of Leases, and Tenant desires to be assured of continued occupancy of the Leased Premises under the terms of the Lease, subject to the terms of the Deed of Trust and Assignment of Leases;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements herein contained, the parties hereto, intending to be legally bound hereby, promise, covenant and agree as follows:

1. The Lease, and all estates, rights and interests, (including but not by way of limitation, any renewal, extension or expansion options set forth or contained therein), liens and charges therein contained or created thereunder, are and shall be and continue to be subject and subordinate in all respects to the lien, terms, provisions, rights, conditions and effect (collectively the "lien") of the Deed of Trust and the Assignment of Leases insofar as the lien affects the Property, the Leased Premises and all real and personal property of which the Leased Premises forms a part, and to all renewals, modifications, consolidations, replacements and extensions of the Deed of Trust and the Assignment of Leases, to the full extent of the indebtedness secured by the Deed of Trust and the Assignment of Leases, with the same force and effect as if the Deed of Trust and the Assignment of Leases had both been executed, delivered, and duly recorded among the above-mentioned public records, prior to the execution and delivery of the Lease.

2. In the event Lender should succeed to the interest of Borrower under the Lease, whether by foreclosure of the Deed of Trust, or by deed in lieu of foreclosure, or otherwise, Lender agrees not to affect or disturb Tenant's right to possession of the Leased Premises so long as Tenant has not defaulted or is not in default under any of the terms, covenants or conditions of the Lease.

3. In the event that Lender shall succeed to the interest of Borrower under the Lease, Lender and Tenant hereby agree to be bound to one another under all of the terms, covenants and conditions of the Lease, subject to the terms and conditions set forth in this Agreement. Accordingly, from and after such event, Lender and Tenant shall have the same remedies against one another for the breach of an agreement contained in the Lease as Tenant and Borrower had before Lender succeeded to the interest of Borrower; provided, however, that notwithstanding anything to the contrary set forth in this paragraph, Lender shall not be:

(i) Liable for any act, omission, breach or default of any prior landlord (including the Borrower) or that occurred or arose prior to the date that Lender succeeded to the interest of Borrower under the Lease; or

(ii) Subject to or bound by any offsets, deductions, claims, causes of action or defenses which Tenant might have against any prior landlord (including the Borrower) or against the Lease or any provisions thereof or payments thereunder; or

(iii) Bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including the Borrower); or

(iv) Bound by or subject to any amendment or modification of the Lease made without the written consent of Lender; or

(v) Bound to recognize any security or other refundable deposit made by Tenant with any prior landlord (including the Borrower); or

(vi) Bound to make any improvements or alterations agreed to by any prior landlord (including Borrower).

4. In the event that Lender or anyone else acquires title to or the right to possession of the Leased Premises or Property upon the foreclosure of the Deed of Trust, or upon the sale of the Leased Premises or Property by Lender or its successors or assigns, after foreclosure, or acquisition of title by deed in lieu thereof, or otherwise, Tenant agrees not to seek to terminate the Lease by reason thereof, but shall remain bound unto the new owner so long as the new owner agrees to be bound to Tenant under all terms, covenants and conditions of the Lease, subject to all terms, covenants and conditions of this Agreement.

5. In the event Lender or any other new owner shall exercise its or their rights under the Assignment of Leases, or the absolute assignment of rents under the Deed of Trust whereby the Lease rights of Borrower have been assigned to Lender, Tenant agrees to make all payments of rent or other sums payable by Tenant under the Lease directly to Lender or such other new owner (as the case may be) upon written notice by Lender or such other new owner to Tenant.

6. Tenant hereby warrants and represents, covenants and agrees with Lender:

(i) Not to alter, amend or modify the Lease in any respect without the prior written consent of Lender;

(ii) To deliver to Lender a duplicate of each notice of default delivered to Borrower at the same time as such notice is given to Borrower;

(iii) That Tenant is now the sole owner of the leasehold estate created by the Lease and shall not hereafter assign, mortgage, lien or encumber the Lease or any interest therein, or sublease all or any part of the Leased Premises except as may be expressly permitted by the terms thereof, and that notwithstanding any assignment, mortgage, lien, encumbrance or any sublease, Tenant shall remain primarily liable for the observance and performance of all of its agreements and obligations under the Lease;

(iv) Not to seek to terminate the Lease by reason of any default of Borrower without prior written notice thereof to Lender and the lapse thereafter of such time as under the Lease was granted to remedy the default, within which time Lender, at its option, may remedy any such default and Tenant shall accept any such cure or remedy from Lender; provided, however, that with respect to any default of Borrower under the Lease which cannot reasonably be remedied by Borrower or Lender within such time, if Lender or

Borrower commences to cure such default within such time and thereafter diligently proceeds with such efforts, Lender or Borrower shall be permitted such time as is reasonably necessary to complete curing such default;

(v) Not to anticipate the payment of rent, deposits or other sums due under the Lease or make payment of any rent or other sums due, under Lease for more than 30 days in advance of the date due; and

(vi) To promptly certify in writing to Lender, in connection with any proposed assignment of the Deed of Trust and Assignment of Leases, whether or not any default on the part of Borrower or Tenant then exists under the Lease and to specify in reasonable detail the nature of any claimed default.

7. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors and assigns. This Agreement may be executed by the parties hereto in one, two or more counterparts, all of which shall constitute but one and the same document. Signature and notarized pages of any counterpart may be removed from such counterpart and attached to any other counterpart without in any way affecting or impairing the validity, binding effect or binding nature of any such counterpart(s).

[Remainder of page intentionally left blank, signature pages follow]

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the day and year first above written.

TENANT:

LENDER:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

BORROWER:

By: _____
Name: _____
Title: _____

BORROWER ACKNOWLEDGMENT FORM

State of California)

County of _____)

On _____, before me, _____, Notary Public, State of California, personally appeared JOHN TUDAL, personally known to me (or 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 she/he/they executed the same in her/his/their authorized capacity(ies), and that by her/his/their signature(s) on the instrument the person or the entity(ies) upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Name: _____
Notary Public
My Commission Expires: _____

(SEAL)

State of California)

County of _____)

On _____, before me, _____, Notary Public, State of California, personally appeared TERRENCE M. McGRATH, personally known to me (or 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 she/he/they executed the same in her/his/their authorized capacity(ies), and that by her/his/their signature(s) on the instrument the person or the entity(ies) upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Name: _____
Notary Public
My Commission Expires: _____

(SEAL)

LENDER'S ACKNOWLEDGMENT FORM

To be provided

(SEAL)

[SIGNATURE PAGE TO SNDA]

EXHIBIT "A"

Legal Description

To be provided