

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (the "Agreement") is dated as of _____, 2016 (the "Execution Date") and is entered into by and between Charleen Bernadette Dunn and William Wayne Voorhees ("SELLER") and the County of San Bernardino, a body corporate and politic of the State of California ("BUYER").

RECITALS

A. The SELLER is the owner of the fee simple interest in that certain real property referenced as APN 0601-421-10 located on Twentynine Palms Highway in the unincorporated area of Joshua Tree consisting of approximately 1.29 acres of vacant land (the "Property"), as shown on Exhibit "A," attached hereto and made a part hereof by this reference.

B. BUYER desires to acquire the Property from the SELLER for the purpose of constructing a Crisis Residential Treatment Facility (the "Project") for the San Bernardino County Department of Behavioral Health funded in part by The Mental Health Act of 2013 (Senate Bill 82) and made possible by the California Health Facilities Financing Authority.

C. SELLER and BUYER agree that the purchase price is \$27,500 (Twenty-Seven Thousand Five Hundred Dollars) and BUYER agrees to the purchase of the property "**AS-IS**", except as specifically provided in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants and obligations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the SELLER and BUYER hereto agree as follows:

Section 1. Recitals.

The recitals set forth above are true and correct and incorporated herein by this reference.

Section 2. Purchase and Sale of Property.

Subject to all of the terms, conditions and provisions of this Agreement and for the consideration set forth below, SELLER hereby agrees to sell, convey and transfer to BUYER and BUYER hereby agrees to acquire all of the right, title and interest of SELLER in and to the Property.

The Property will be conveyed to BUYER when the Purchase Price is paid in full in accordance with this Agreement.

Section 3. Consideration.

The total consideration to be paid by BUYER for the acquisition of the Property shall be Twenty-Seven Thousand Five Hundred and 00/100 Dollars (\$27,500.00) (the "Purchase Price").

Section 4. Opening of Escrow.

(a) The transfer and sale of the Property shall take place through escrow (the "Escrow"), and such Escrow shall be administered by Fidelity National Title Company, Attn: Collette Baker, 56172 Twentynine Palms Highway, Yucca Valley, CA 92284. The Escrow for the Property shall be deemed open ("Opening of Escrow") upon the receipt by the Escrow Holder of a copy of this Agreement executed by SELLER and BUYER. The date of Opening of Escrow shall be memorialized by Escrow Holder in writing delivered to the parties. Escrow will be opened within five (5) days after approval and execution of this Agreement by the BUYER's Board of Supervisors.

(b) If this Agreement is terminated or Escrow is cancelled as a result of a default by SELLER, then SELLER shall be solely responsible to the Escrow Holder for payment of all customary and reasonable escrow cancellation charges to the Escrow Holder without further or separate instruction to the Escrow Holder and thereafter BUYER and SELLER shall have no further obligations to each other except as otherwise specified in this Agreement. If this Agreement is terminated or Escrow is cancelled for any reason other than SELLER's default, then BUYER shall be solely responsible for the payment of all customary and reasonable escrow cancellation charges to the Escrow Holder without further or separate instruction to the Escrow Holder and thereafter BUYER and SELLER shall have no further obligations to each other except as otherwise specified in this Agreement.

Section 5. Close of Escrow.

As used herein, "Close of Escrow" means and refers to the date on which the conditions set forth in this Agreement for the close of Escrow for the transfer of the Property have been satisfied, and the Deed is recorded by the Escrow Holder. The Property shall be transferred to BUYER at the Close of Escrow, provided that within the periods of time set forth in this Agreement provided: (i) BUYER has not terminated this Agreement, (ii) BUYER has accepted the Deed, and (iii) all other conditions of the Close of Escrow set forth in this Agreement have been met and BUYER has paid, or caused to be paid to the Escrow Holder all applicable escrow costs relating to such closing. The Close of Escrow shall occur on a date designated by BUYER (on advance notice to SELLER) no later than sixty (60) days after the Opening of Escrow.

Section 6. Contingencies

(a) The Close of Escrow is contingent on the BUYER's approval of the results of a Phase I Environmental Assessment and Biological Survey to be procured by BUYER.

(b) The BUYER is in the process of acquiring the adjacent properties referenced as APNs 0601-421-12 and 13. The Close of Escrow is subject to and contingent upon the concurrent close of escrow of this adjacent property and is expressly made a condition of the Close of Escrow. If this condition is not satisfied, the BUYER may terminate this Agreement.

Section 7. Escrow Instructions

SELLER and BUYER each agree to execute and deliver to the Escrow Holder the customary supplemental written escrow instructions (consistent with the terms of this Agreement) of the Escrow Holder. In the event of a conflict between the additional terms of such customary supplemental escrow instructions of the Escrow Holder and the

provisions of this Agreement, this Agreement shall supersede and be controlling. Upon any termination of this Agreement or cancellation of the Escrow, except as results from the default of SELLER, BUYER shall be solely responsible for the payment of the escrow cancellation costs of the Escrow Holder.

Section 8. Conveyance of Title

(a) On or before the Close of Escrow, SELLER shall deliver to the Escrow Holder the Grant Deed, in form attached hereto as Exhibit "B" (the "Deed") duly executed and acknowledged by SELLER. The Deed shall grant fee simple marketable title to the Property to BUYER. The Escrow Holder shall be instructed to record the Deed in the Official Records of San Bernardino County, California, if and when the Escrow Holder holds the funds for the SELLER as set forth herein.

(b) Within five (5) days following the Execution Date, BUYER may order a current preliminary report from a title company of BUYER's choice (the "Title Company") covering the Property, together with full and legible copies of all supporting documents (collectively, "Preliminary Report"), and may further order a survey of the Property from a licensed surveyor sufficient to obtain an ALTA title insurance policy ("Survey"). The Title Company shall issue an ALTA Owner's policy ("Title Policy") at the Close of Escrow insuring fee title in BUYER, subject only to the following matters:

- (1) a lien for real property taxes, bond, or assessments not then delinquent;
- (2) matters of the Property's title not disapproved by BUYER in writing;
- (3) all matters that affect title to the Property that would be revealed by an accurate and complete survey of the Property as of the end of the Inspection Period;
- (4) dedication of all streets abutting the Property;
- (5) customary utility rights-of-way and easements that do not materially interfere with the existing use of the Property;
- (6) zoning and other governmental restrictions;
- (7) matters common to any general area or subdivision in which the Property is located;
- (8) matters affecting the condition of the Property's title created by or with the consent of the BUYER or BUYER's officers, employees or agents.
- (9) such other title exceptions, if any, resulting from documents being recorded or delivered through Escrow.

(c) Upon recordation of the instrument conveying the real property to BUYER, BUYER will request cancellation of the real property taxes for the property conveyed pursuant to Section 4986, California Revenue and Taxation Code, as amended. If current taxes have not yet been paid, SELLER shall pay through escrow or out of SELLER's proceeds, the installment applicable to the period in which escrow closes. If taxes are not yet due and payable and the exact amount that will be due is

unknown, escrow holder is hereby instructed to withhold from SELLER's proceeds an amount of funds equal to one hundred and ten percent (110%) of the second installment of the most recent tax bill. Once the exact amount of the new tax bill is known, escrow holder will promptly pay the amount due, prior to the delinquent date, to the County Tax Collector. Any excess funds will be returned to SELLER by the escrow holder after said payment is made. Taxes will NOT be prorated between SELLER and BUYER in escrow. The taxing authority will notify SELLER of any refund due SELLER resulting from the subject acquisition after a review and any subsequent proration of the property tax assessment by the County Assessor. SELLER retains the right, following close of escrow, to apply to the County Tax Collector for refund pursuant to Revenue and Taxation Code 5096.7.

Section 9. Inspections and Review

(a) BUYER acknowledges and agrees that the Property is being conveyed in an "AS IS," "WHERE IS" condition and "WITH ALL FAULTS" as of the date of this Agreement and the date of Close of Escrow. Except as expressly set forth in this Agreement, no representations or warranties have been made or are made and no responsibility has been or is assumed by SELLER or by any officer, person, firm, agent or representative acting or purporting to act on behalf of SELLER as to the condition or repair of the Property or the value, expense of operation, or income potential thereof, or as to any other fact or condition which has or might affect the Property or the condition, repair, value, expense of operation or income potential of the Property or any portion thereof. BUYER further acknowledges and agrees that it has relied solely upon its own investigations of the Property and its own review of such information and documentation as it has deemed appropriate and is satisfied with the opportunity afforded for investigation. BUYER is not relying upon any statement or representation by SELLER or by any officer, person, firm, agent or representative acting or purporting to act on behalf of SELLER unless such statement or representation is specifically embodied in this Agreement or the Exhibits attached hereto. Except as expressly set forth herein, SELLER makes no representations or warranties as to whether the Property contains any Hazardous Materials or pertaining to the extent, location or nature of the same. Further, to the extent that SELLER has provided to BUYER information from any inspection, engineering or environmental reports concerning any Hazardous Materials, SELLER makes no representations or warranties with respect to the accuracy, completeness, methodology of preparation or otherwise concerning the contents of such reports.

(b) BUYER expressly waives any rights or benefits available to it with respect to the foregoing release under any provision of applicable law which generally provides that a general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time the release is agreed to, which, if known to such creditor, would materially affect a settlement. By execution of this Agreement, BUYER acknowledges that it fully understands the foregoing, and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, described in this Section 9 without limiting the generality of the foregoing:

The undersigned acknowledges that it has been advised by legal counsel and is familiar with the provisions of California Civil Code Section 1542, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF

KNOWN BY HIM OR HER, MUST HAVE MATERIALLY, AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

The undersigned, being aware of this Code section, hereby expressly waives any rights it may have thereunder, as well as under any other statutes or Common law principles of similar effect.

Initials of BUYER: _____

(c) The provisions of this Section 9 shall survive the Close of Escrow, and shall be binding upon BUYER.

(d) SELLER shall assist and cooperate with BUYER in endeavoring to remove title exceptions unacceptable to BUYER, but SELLER shall have no obligation to cause such objections to be removed or to expend any sums in such endeavor, except that SELLER shall remove all monetary liens and encumbrances created by or as a result of SELLER’s activities.

(e) SELLER covenants not to further encumber and not to place any further liens or encumbrances on the Property, including, but not limited to, covenants, conditions, restrictions, easements, liens, options to purchase, rights of first offer options to lease, leases, tenancies, or other possessory interests. SELLER covenants not to authorize others to take any action that adversely affects the physical condition of the Property or its soils to any material extent.

Section 10. Closing Costs, Possession

(a) BUYER shall pay one hundred percent (100%) of the cost of the ALTA Title Policy.

(b) BUYER and SELLER shall each pay fifty percent (50%) of the Escrow Holder’s charges and fees which may be charged by Escrow Holder in connection with the Close of Escrow.

(c) BUYER shall be entitled to exclusive possession of the Property immediately upon the Close of Escrow.

Section 11. Real Estate Brokerage Commission

Each party represents and warrants that, other than Coldwell Banker Roadrunner Realty representing the SELLER, neither party has retained any brokers or finders to represent its interests in connection with this transaction. Except as provided above, each party agrees to indemnify and hold the other harmless from and against all liabilities, costs, damages and expenses, including, without limitation, reasonable attorneys’ fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay any additional broker’s commission and/or finder’s fee.

Section 12. Representations and Warranties

(a) SELLER hereby makes the following representations, covenants and warranties:

(1) Power and Authority. SELLER has the legal power, right and authority to enter into this Agreement and to execute the instruments and documents referenced herein, and to consummate the transaction contemplated hereby.

(2) Requisite Action. SELLER has taken all requisite action and obtained all requisite consents in connection with entering into this Agreement and the instruments and documents referenced herein and the consummation of the transactions contemplated hereby, and no consent of any other party is required.

(3) Enforceability of Agreement. The persons executing this Agreement and any instrument or document referenced herein for or on behalf of SELLER have been duly authorized to so act on behalf of SELLER and this Agreement and any such instrument or document is valid and legally binding on SELLER and enforceable against SELLER in accordance with their respective terms.

(4) No Litigation. There is no pending or, to the best of SELLER's knowledge, threatened claims, action, allegations or lawsuit of any kind, whether for personal injury, property damage, property taxes, or otherwise, that could affect the Property.

(5) No Violation. Neither the execution of this Agreement or the other instruments and documents referenced herein nor the performance by SELLER of its obligations hereunder and thereunder shall result in a breach or constitute a default under any agreement, document, instrument or other obligation to which SELLER is a party or by which SELLER may be bound or under law, statute, ordinance, rule, governmental regulation, state constitution, or any writ, injunction, order or decree of any court or governmental body applicable to SELLER.

(6) Operation and Condition Pending Closing. Between the date of this Agreement and the Close of Escrow hereunder, SELLER will continue to manage, operate and maintain the Property in the same manner as existed prior to the execution of this Agreement.

(7) Contracts. There are no contracts or agreements to which SELLER is a party relating to the operation, maintenance, development, improvement or ownership of the Property which will survive the Close of Escrow.

All representations and warranties contained in this Section 12 (a) are true and correct on the date hereof and on the date of the Close of Escrow and shall survive the Close of Escrow.

(b) Warranties and Representations by BUYER. BUYER hereby makes the following representations, covenants and warranties and acknowledges that the execution of this Agreement by SELLER has been made in material reliance by SELLER on such covenants, representations and warranties:

(1) BUYER has the legal right, power and authority to enter into this Agreement and the instruments and documents referenced herein and to consummate the transactions contemplated hereby. The persons executing this Agreement and such other instruments as may be referenced herein on behalf of BUYER hereby represent and warrant that such persons have the power, right and authority to bind BUYER.

(2) BUYER has taken all requisite action and obtained all requisite consents in connection with entering into this Agreement and the instruments and documents referenced herein and the consummation of the transactions contemplated hereby, and no consent of any other party is required.

(3) This Agreement is, and all instruments and documents to be executed by BUYER pursuant to this Agreement shall be, duly executed by and are or shall be valid and legally binding upon BUYER and enforceable in accordance with their respective terms.

(4) Neither the execution of this Agreement nor the consummation of the transaction contemplated hereby shall result in a breach of or constitute a default under any other agreement, document, instrument or other obligation to which BUYER is a party or by which BUYER may be bound, or under law, statute, ordinance, rule governmental regulation or any writ, injunction, order or decree of any court or governmental body applicable to BUYER.

All representations and warranties contained in this Section 12 (b) are true and correct on the date hereof and on the date of the Close of Escrow and shall survive the Close of Escrow.

Section 13. Conflict of Interest

No member, official or employee of either party having any conflict of interest, direct or indirect, related to this Agreement and the use and development of the Property shall participate in any decision relating to the Agreement. The parties represent and warrant that they do not have knowledge of any such conflict of interest.

Section 14. Nonliability of Officials and Employees

No officer, official or employee of either party shall be personally liable to the other party, or any successor in interest of such other party, in the event of any default or breach or for any amount which may become due hereunder, or on any obligations under the terms of this Agreement.

Section 15. Indemnification

BUYER agrees to indemnify and hold SELLER and its officers, employees and agents harmless from and against all damages, judgments, costs, expenses and attorney's fees arising from or related to any act or omission of BUYER in performing its investigations of the Property. SELLER shall give BUYER written notice of the occurrence of a claim, litigation or other matters for which SELLER seeks indemnity under this Section as promptly as practicable following SELLER'S knowledge of the occurrence of such matter and SELLER shall reasonably cooperate with BUYER in the defense of any such claim or matter and shall not take any action that would adversely affect BUYER's defense of such matter.

Section 16. Miscellaneous

(a) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement, with one counterpart being delivered to each party hereto.

(b) All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, provided that if the date or last date to perform any act or give any notice with respect to this Agreement shall fall on a Friday, Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Friday, Saturday, Sunday or state or national holiday.

(c) The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal.

Section 17. Entire Agreement

(a) This Agreement and the exhibits attached hereto constitute the entire understanding and Agreement of the parties.

(b) This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto with respect to the Property.

(c) The headings to the paragraphs of this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not in any way affect its interpretation.

Section 18. Legislative Bodies' Approval

This agreement is subject to, and will have no force or effect until and unless first approved by the Board of Supervisors of the County of San Bernardino.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the dates set forth below.

SELLER:

By: _____
Charleen Bernadette Dunn

Date: _____

By: _____
William Wayne Voorhees

Date: _____

BUYER:

COUNTY OF SAN BERNARDINO

By: _____
James Ramos, Chairman
Board of Supervisors

Date: _____

Laura H. Welch,
Clerk of the Board of Supervisors

Approved as to Legal Form:
Jean-Rene Basle, County Counsel
County of San Bernardino, California

By: _____
Deputy

By: _____
Robert F. Messinger, Deputy

Date: _____

Date: _____

EXHIBIT "A"

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE GOVERNMENT SURVEY, SHOWN AS "NOT A PART OF THIS SUBDIVISION" ON THE MAP OF TRACT NO. 6339, AS PER MAP RECORDED IN BOOK 82 PAGES 88 AND 89 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING EAST OF THE NORTHERLY PROLONGATION OF THE WEST LINE OF LOT 4, AS SHOWN ON SAID MAP OF TRACT NO. 6339.

EXHIBIT "B"

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

County of San Bernardino
Real Estate Services Department
385 N. Arrowhead Avenue, 3rd Floor
San Bernardino, CA 92415-0180

Record without fee subject to
Gov't Code 6103

A.P.N(s): 0641-421-10

GRANT DEED

Dept. Code: 11200

The undersigned grantor(s) declare(s):

DOCUMENTARY TRANSFER TAX \$0.00 Conveyance to Government Entity, R&T 11922

☐ computed on full value of property conveyed, or

☐ computed on full value less liens and encumbrances remaining at the time of sale

☒ Unincorporated Area Joshua Tree ☐ City

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Charleen Bernadette Dunn and William Wayne Voorhees, hereby GRANT(S) to the COUNTY OF SAN BERNARDINO, a body corporate and politic of the State of California, the Real Property in the unincorporated area of Fontana, in the County of San Bernardino, California, described as follows:

ALL THAT PORTION OF SECTION 34, TOWNSHIP 1 NORTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN. IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING OT THE GOVERNMENT SURVEY SHOWN AS "NOT A PART OF THIS SUBDIVISION" ON THE MAP OF TRACT NO. 6339, AS PER MAP RECORDED IN BOOK 82 PAGES 88 AND 89 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY. LYING EAST OF THE NORTHERLY PROLONGATION OF THE WEST LINE OF LOT 4, AS SHOWN ON SAID MAP OF TRACT NO. 6339

By: _____
Charleen Bernadette Dunn

Date: _____

By: _____
William Wayne Voorhees

Date: _____

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE

N/A

Name

Street Address

City & State