

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (the “**Agreement**”) is entered into as of _____, 2010 (the “**Execution Date**”), by the COUNTY OF SAN BERNARDINO SPECIAL DISTRICTS (CSA-70 D-1), a political subdivision of the State of California (“**District**”) and LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT (“**Buyer**”).

RECITALS

A. District owns that certain real property more particularly described in Exhibit “A-1”, Pages 1 through 5 (Legal Description) attached hereto and by this reference made a part hereof (the “**Property**”).

B. District has determined the Property to be excess to the needs of the District and declared the Property to be surplus and is authorized to sell Property to Buyer.

C. Buyer has agreed to pay, and District has agreed to accept, a purchase price of One and 00/100 Dollar (\$1.00) for the Property.

Section 1.01. Sale of the Property and Conditions for Transfer of the Property.

(a) Subject to all of the terms, conditions and provisions of this Agreement, and for the consideration set forth below, District hereby agrees to convey and transfer to Buyer and Buyer hereby agrees to acquire all of the right, title and interest of District in and to the Property.

(b) The Property will be conveyed to Buyer when the Purchase Price is paid in full in accordance with this Agreement.

(c) The total consideration to be paid by Buyer for the acquisition of the Property shall be One and 00/100 Dollar (\$1.00) (“**Purchase Price**”), said consideration to be paid prior to Closing, as defined below.

(d) In the event Buyer fails to complete the purchase of the Property by paying the Purchase Price, this Agreement shall terminate.

(e) Buyer understands that this sale is contingent upon District obtaining approval by the Board of Directors.

Section 1.02. Closing; Conveyance of Title.

(a) Because the Purchase Price is nominal, Buyer and District agree that they will not use the services of an escrow company. As set forth below, Buyer will obtain title coverage from a title company of Buyer’s choosing (“**Title Company**”), and the Title Company will coordinate recording of the Grant Deed (“**Deed**”) (in the same form as that attached hereto as Exhibit “B”) by which title to the Property is conveyed from District to Buyer. The recording of such Deed will constitute “**Closing**” and the date of such Closing is referred to herein as the “**Closing Date.**”

(b) On or before the day designated by Buyer as the Closing Date, District shall deliver to the Title Company the Deed duly executed and acknowledged by District, which Deed shall relinquish all of its right, title and interest of District in the Property to Buyer. Title Company shall be instructed to record the Deed in the Official Records of San Bernardino County, California, if and when it can obtain for Buyer a CLTA owner's extended coverage policy of title insurance ("**Title Policy**") issued by the Title Company with liability in an amount as requested by Buyer, together with such endorsements as may be reasonably requested by Buyer, insuring that fee title to the Property is vested in Buyer, free and clear of options, rights of first refusal or other purchase rights, leases or other possessory interests, lis pendens and monetary liens and/or encumbrances and subject only to:

- (1) non-delinquent real property taxes;
- (2) dedication of all streets abutting the Property;
- (3) such other title exceptions, if any, resulting from documents being recorded pursuant to Section 1.02(c) below.

(c) As set forth in Exhibit "B", the Deed will contain a Power of Termination which will become operative in the event (i) the Property is not used for the public purposes intended by Buyer ("**Buyer's Purposes**") within ten (10) years following the date of recording of the Deed; (ii) Buyer attempts to sell or lease the Property other than a sale or lease to a public agency affiliate (which controls, is controlled by or under common control with Buyer); or (iii) the grantee does not diligently pursue commencement of construction of improvements no later than eighteen (18) months from the date of recordation of the this grant deed, to serve the interests of the LACSD and the public. Buyer's Purposes will include use of the Property for office and/or related purposes associated with Buyer's public responsibilities. Buyer's purposes may include the incidental rental of space within improvements constructed upon the Property by Buyer, such as the use of conference or meeting room facilities by public agency or civic groups. The Property will be deemed "used" for such purposes so long as construction of improvements has commenced and is being diligently pursued, which may include placement on the Property of construction equipment, trailers and the like. Unless exercised prior to such date, the Power of Termination will automatically expire on the first business day following the tenth anniversary of the recording of the Deed.

Section 1.03. Inspections and Review.

(a) Buyer shall accept the delivery of possession of the Property (including but not limited to, subterranean structures and soil conditions), in an "AS IS," "WHERE IS" and "SUBJECT TO ALL FAULTS" condition. Buyer hereby acknowledges that it will rely solely upon its own investigation of the Property and its own review of such information and documentation as it deems appropriate. Buyer is not relying on any statement or representation by District, any employee, official or consultant District relating to the condition of the Property. District makes no representations or warranties as to whether the Property presently complies with environmental laws or whether the Property contains any hazardous substance. Furthermore, to the extent that District has provided Buyer with information relating to the

condition of the Property, District makes no representation or warranty with respect to the accuracy, completeness or methodology or content of such reports or information.

(b) Buyer, on behalf of itself and its successors, waives and releases District and its successors and assigns from any and all costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, arising from or relating to any of the following matters and conditions relating to the Property which exist as of the Closing Date: all entitlements to relocation and loss of good will benefits that could result from the physical condition of the Property or any above-ground or underground improvements thereon, the condition of the soils, the suitability of the soils for the improvement of any proposed project, or any law or regulation applicable thereto.

(c) 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 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 1.03 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: _____

(d) The provisions of this Section 1.03 shall survive the Closing, and shall be binding upon Buyer.

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

(f) District covenants not to further encumber and not to place any further liens or encumbrances on the Property, including, but no limited to, covenants, conditions, restrictions,

easements, liens, options to purchase, rights of first offer options to lease, leases, tenancies, or other possessory interest. District also 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 1.04. Closing Costs, Possession.

(a) In the event Buyer wishes to obtain a policy of title insurance, Buyer shall pay the premium for the CLTA basic coverage title policy and any requested endorsements and/or extended coverage premium.

(b) Buyer shall be entitled to exclusive possession of the Property immediately upon the transfer and recording of the Deed. District will assure that existing tenancies have been terminated on or before the date of such transfer and recording and that all improvements and materials placed upon the Property by such tenants (specifically including logs/trees stockpiled on that portion of the Property known as Lot B) have been completely removed as of such date. If any such materials remain on the Property following transfer and recording of the Grant Deed, District will enforce all rights against such tenants in order to obtain the timely removal of such materials and will reimburse Buyer for costs incurred by Buyer in removing such materials if such removal has not otherwise been effected within thirty (30) days following the transfer and recording of the Deed.

Section 1.05. Representations and Warranties.

(a) Warranties and Representations by District. District hereby makes the following representations, covenants and warranties, and acknowledges that the execution of this agreement by Buyer has been made in material reliance by Buyer on such covenants representations and warranties.

(1) Power and Authority. District 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. 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) Requisite Action. District 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 District have been duly authorized to so act on behalf of District and this Agreement and any such instrument or document is valid and legally binding on District and enforceable against County in accordance with their respective terms.

(4) No Litigation. There is no pending or, to the best of District'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 District 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 District is a party or by which District 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 District.

(6) Contracts. There are no contracts or agreements to which District is a party relating to the operation, maintenance, development, improvement or ownership of the Property which will survive the Closing.

All representations and warranties contained in this Section 1.05(a) are true and correct on the date hereof and on the Closing Date and shall survive the Closing for a period of one (1) year.

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

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

(4) No Violation. Neither the execution of this Agreement or the other instruments and documents referenced herein nor the performance by Buyer 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 Buyer is a party or by which Buyer 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 Buyer.

(5) Conditional Use Permit. Buyer agrees that prior to a conditional use permit issuance, the Land Use Services Department of San Bernardino County shall review and approve the proposed construction project as submitted by Buyer.

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

(7) Pollution Legal Liability Insurance. If available to Buyer upon commercially reasonable terms and conditions and with a mutually acceptable carrier, Buyer shall obtain and maintain in effect a policy of Pollution Legal Liability Insurance for the Property so long as the Power of Termination described in the Deed remains in effect.

(8) Architectural Style. Building improvements constructed by Buyer upon the Property will be designed and constructed using an architectural theme consistent with the Alpine Architectural Style that predominates in the Lake Arrowhead Community.

All representations and warranties contained in (1) through (6) this Section 1.05(b) are true and correct on the date hereof and on the Closing Date and shall survive the Close of Escrow for a period of one (1) year.

Section 1.06. 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 1.07. 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 1.08. Indemnification. Buyer agrees to indemnify, defend (with counsel reasonably approved by District) and hold District and its officers, employees, volunteers and agents harmless from and against any and all claims, actions, losses, and/or liability and for any damages, judgments, costs, expenses, attorney's fees and/or liability arising out of this Agreement from any cause whatsoever, including, but not limited to, the acts, errors or omissions of Buyer or any person in performing the obligations hereunder, including, but not limited to, such that arise as the result of Buyer's investigations of the Property. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. Buyer's indemnification obligation applies to the District's "active" as well as "passive" negligence but does not apply to the District's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782. District shall give Buyer written notice of the occurrence of a claim, litigation or other matters for which District seeks indemnity under this Section as promptly as practicable following District's knowledge of the occurrence of such matter and District 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. Likewise District will similarly indemnify Buyer under the same terms and conditions as Buyer is agreeing to indemnify District.

Section 1.09. Attorneys' Fees. In any action, arbitration or other proceedings between the parties that arises out of this Agreement, then as between Buyer and District, the prevailing party

shall not be entitled to recover as an element of its costs of suit, and not as damages, all expenses reasonably incurred in connection with that litigation as fixed by the Court including, but not limited to “Costs” as defined in Section 1033.5 of the California Code of Civil Procedure, attorneys’ fees, expert witness fees, including travel and preparation time, photocopy charges, investigation fees or any other item reasonably incurred in connection with the defense of our prosecution of the litigation by the prevailing party, and regardless of whether such items are “Costs” as defined in Section 1033.5 of the California Code of Civil Procedure. This paragraph shall not apply to those costs and attorney fees directly arising under Section 1.08 above (Indemnification).

Section 1.10. Public Entity Relationship. District and Buyer acknowledge that each has considered the nature and extent of their respective jurisdictions and the possibility that Buyer, through appropriate LAFCO procedures, might seek to acquire certain District powers, functions or properties. Upon Closing, District and Buyer agree that each will, with respect to the other, maintain its current jurisdiction, powers and duties and will not pursue any LAFCO processes for the modification thereof in a manner that would infringe upon the current jurisdiction, powers and authorities of the other.

Section 1.11. 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 set of fully executed counterparts 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 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 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 1.12. 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) As this Agreement was jointly prepared by both parties, the language in all parts of this Agreement shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

(d) This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to conflicts of law principles. The parties agree that any action brought by any party to this agreement will be in the Central Court of San Bernardino

Superior Court. If any action is brought by a third party, the parties agree to use their best efforts to have such action heard in the Central Court of the San Bernardino Superior Court.

(e) 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.

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

BUYER
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

By: _____ Date: _____
John E. Hoagland, General Manager

By: _____ Date: _____

SELLER
County of San Bernardino Special Districts (CSA-70 D-1)

By: _____
Gary C. Ovitt, Chairman, Board of Directors

Date: _____

LAURA H. WELCH, Clerk of the Board of Directors

By: _____
Deputy

Date: _____

Approved as to Legal Form:
RUTH E. STRINGER, Counsel
San Bernardino County, California

By: _____
Alan L. Green, Deputy

Date: _____

EXHIBIT A-1

LEGAL DESCRIPTION
LACSD PARCEL FROM CSA 70

THAT PORTION OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER RECORD OF SURVEY BOOK 40, PAGES 27 THROUGH 30, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF TRACT 2898, PER MAP BOOK 41, PAGES 34 THROUGH 49, IN THE RECORDER'S OFFICE OF SAID COUNTY;

THENCE SOUTH 00° 40' 32" EAST, ALONG THE WESTERLY LINE OF SAID TRACT, 850.00 FEET;

THENCE NORTH 41° 56' 46" WEST, 712.90 FEET;

THENCE NORTH 82° 41' 30" WEST, 200.48 FEET;

THENCE SOUTH 32° 29' 33" WEST, 1.10 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 278.94 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 57° 23' 42" EAST; THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 25° 30' 03" A DISTANCE OF 124.15 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 190.70 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 28° 57' 24" WEST;

THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 50° 53' 35" A DISTANCE OF 169.39 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 127.38 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 88° 10' 53" EAST;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 68° 21' 25" A DISTANCE OF 151.97 FEET;

THENCE SOUTH 73° 17' 39" WEST, 122.75 FEET;

THENCE SOUTH 89° 19' 37" WEST, 155.79 FEET;

THENCE NORTH 00° 00' 00" EAST, 215.00 FEET;

THENCE NORTH 90° 00' 00" EAST, 187.00 FEET;

THENCE NORTH 27° 25' 26" EAST, 92.00 FEET;

THENCE NORTH 25° 01' 51" WEST, 359.43 FEET;

THENCE NORTH 58° 08' 10" EAST, 90.18 FEET TO A POINT ON THE NORTH
LINE OF SAID SECTION 14;

THENCE SOUTH 89° 50' 14" EAST, 1,045.00 FEET TO THE TRUE POINT OF
BEGINNING.

CONTAINS 12.85 ACRES MORE OR LESS.



William J. McKeever
712110

EXHIBIT B
GRANT DEED
[See Attached]

**RECORDING REQUESTED BY:
and WHEN RECORDED MAIL TO:**

Lake Arrowhead Community Services District
P.O. Box 700
Lake Arrowhead, CA 92352
Attn: General Manager

Assessor's Parcel No. _____

Exempt from Recording Fees per Govt. Code §27383
Exempt from Documentary Transfer Tax per Calif. Rev. &
Tax. Code §11922

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **COUNTY SERVICE AREA 70 D-1 (LAKE ARROWHEAD), a public entity (“Grantor”)** does hereby GRANT to **LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, a public entity (“Grantee”)** the real property located in the City of Lake Arrowhead, County of San Bernardino, State of California, described as:

SEE EXHIBIT “1” ATTACHED HERETO AND INCORPORATED
HEREIN BY REFERENCE.

POWER OF TERMINATION PROVISION IS ATTACHED HERETO
AS EXHIBIT “2” AND INCORPORATED HEREIN BY REFERENCE

Date: _____, 20__

COUNTY SERVICE AREA 70 D-1 (LAKE
ARROWHEAD), a public entity

By: _____

Name: _____

Its: _____

ACKNOWLEDGMENT

STATE OF CALIFORNIA)

COUNTY OF _____)

On _____ before me, _____ (here insert name and title of the officer), personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

**EXHIBIT 1
TO GRANT DEED**

LEGAL DESCRIPTION OF PROPERTY

THAT PORTION OF SECTION 14, TOWNSHIP 2 NORTH, RANGE 3 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER RECORD OF SURVEY BOOK 40, PAGES 27 THROUGH 30, DESCRIBED AS FOLLOWS:

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THENCE NORTH 41° 56' 46" WEST, 712.90 FEET;

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THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 50° 53' 35" A DISTANCE OF 169.39 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 127.38 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 88° 10' 53" EAST;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 68° 21' 25" A DISTANCE OF 151.97 FEET;

THENCE SOUTH 73° 17' 39" WEST, 122.75 FEET;

THENCE SOUTH 89° 19' 37" WEST, 155.79 FEET;

THENCE NORTH 00° 00' 00" EAST, 215.00 FEET;

THENCE NORTH 90° 00' 00" EAST, 187.00 FEET;

THENCE NORTH 27° 25' 26" EAST, 92.00 FEET;

THENCE NORTH 25° 01' 51" WEST, 359.43 FEET;

Exhibit 1
to Grant Deed

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LINE OF SAID SECTION 14;

THENCE SOUTH 89° 50' 14" EAST, 1,045.00 FEET TO THE TRUE POINT OF
BEGINNING.

CONTAINS 12.85 ACRES MORE OR LESS.



William J. McKeever
712110

Exhibit 1
to Grant Deed

**EXHIBIT 2
TO GRANT DEED**

POWER OF TERMINATION PROVISIONS

The County of San Bernardino Special Districts (CSA-70 D-1), a community services area validly formed and existing pursuant to the laws of the State of California (“Grantor”) conveys the fee interest in the Property herein described (Exhibit 1 to Grant Deed) to the Lake Arrowhead Community Services District (LACSD) and reserves therein the Power of Termination for a ten-year period commencing on the date of recordation of this grant deed. The Grantor retains the right, but not the obligation, pursuant to this Power of Termination to retake the title and possession of the property in the event one or several of the following occurs: 1) the Property is not used for public purposes; 2) the grantee attempts to sell or lease the Property to a non-public entity or affiliate of the LACSD; or, 3) the grantee does not diligently pursue commencement of construction of improvements no later than eighteen (18) months from the date of recordation of the this grant deed, to serve the interests of the LACSD and the public. The Power of Termination automatically expires on the tenth anniversary of the date of recordation of this grant deed.

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

CERTIFICATE OF ACCEPTANCE

This Certificate of Acceptance pertains to the interests in real property conveyed by the Grant Deed to which this Certificate of Acceptance is attached,

from: **COUNTY SERVICE AREA 70 D-1 (LAKE ARROWHEAD), a public entity (“Grantor”)**

to: **LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, a public entity (“Grantee”)**

Said Grant Deed is hereby accepted by the undersigned officer on behalf of Grantee pursuant to authority conferred by the Grantee’s governing board, and Grantee hereby consents to recordation of said Grant Deed.

Dated: _____, 20__

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT, a public entity

By: _____
Its: _____

ATTEST:

City Clerk

Document comparison done by DeltaView on Friday, April 23, 2010 10:20:38 AM

Input:	
Document 1	pcdocs://rv_bus/741965/3
Document 2	pcdocs://rv_bus/741965/4
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	13
Deletions	10
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	23