

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Joint Escrow Instructions (this “**Agreement**”), between _____ (“**Seller**”) and the COUNTY OF ORANGE, a political subdivision of the State of California (“**County**”), is entered into as of _____, 2020 (the “**Effective Date**”). This Agreement shall also constitute the joint escrow instructions of County and Seller to STEWART TITLE INSURANCE COMPANY (the “**Escrow Agent**” and/or “**Title Company**”). County and Seller are sometimes hereinafter referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. Seller is the owner of that certain real property consisting _____, and more particularly described in the legal description attached as **Exhibit A** and the site plan depicted in the attached **Exhibit B** and incorporated herein by this reference (“**Property**”).

B. The Parties desire to enter into this Agreement to document the purchase and sale of the Property between Seller and County on all of the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, County and Seller hereby agree as follows:

Section 1. Purchase and Sale.

Seller hereby agrees to sell to County, and County hereby agrees to purchase from Seller the Property, together with any and all easements, rights-of-way, privileges, rights and appurtenances, improvements, personal property benefiting, appertaining or belonging to the Property, including, without limitation, any and all of Seller’s right to contiguous streets and roads (whether opened or proposed) on the Property, riparian rights, water or water rights, and/or oil, gas or other minerals laying under the Property.

Section 2. Purchase Price.

The purchase price for the Property shall be _____ DOLLARS (\$_____) (the “**Purchase Price**”). The Purchase Price shall be payable upon the Close of Escrow.

Section 3. Escrow and Deposit.

(a) By this Agreement, County and Seller establish an escrow (“**Escrow**”) with Escrow Agent. Escrow shall close no later than thirty (30) calendar days after the later of expiration of the Due Diligence Period or Extended Escrow Period, both as defined below.

(b) County shall deposit _____ DOLLARS (\$_____) into Escrow (“**Initial Deposit**”) concurrently with the opening of Escrow. The Initial Deposit shall be applicable toward the Purchase Price and shall be fully refundable to County should County, in its sole and absolute discretion, terminate this Agreement prior to expiration of the Due Diligence Period, as defined below, and shall be applicable to the Purchase Price after expiration of the Due Diligence Period. [OPTIONAL] As a condition to the release of the Initial Deposit to Seller, Seller and County shall execute and deliver to Escrow Agent, in a form suitable for recording, the Memorandum of Agreement attached to this Agreement as **Exhibit D** (the

“**Memorandum**”). Escrow Agent shall concurrently, with the payment of the Initial Deposit to Seller, record the Memorandum in the Official Records of the County of Orange. Upon recordation of the Memorandum, County shall deliver a properly executed and notarized Quitclaim Deed for the Property. This Quitclaim Deed shall be held by Escrow Agent until there is a termination of the Agreement, if any, other than due to the default of Seller. Escrow Agent shall record the Quitclaim Deed at the time of a termination of the Agreement, other than due to the default of Seller.

(c) Independent Contract Consideration. Concurrently with County’s delivery of the Initial Deposit to the Escrow Agent, County shall deliver to Escrow Agent the sum of \$100.00 (the “Independent Contract Consideration”), which shall be immediately released by Escrow Agent to Seller, and shall be accepted by Seller as the independent contract consideration for Seller’s execution and delivery of this Agreement and the rights extended to County hereunder. The Independent Contract Consideration is earned as of the execution hereof by County and Seller, and is nonrefundable under all circumstances. At Closing, the Independent Contract Consideration shall be applied to the Purchase Price.

(d) County is granted one (1) thirty (30) day option to extend Escrow (“**Extended Escrow Period**”) by providing Seller and Escrow Agent with a written notice ten (10) days prior to the Close of Escrow and depositing an additional _____ DOLLARS (\$_____) deposit (“**Extension Deposit**”) into Escrow. Said Extension Deposit shall be applicable to the Purchase Price but nonrefundable to County in the event County shall fail to close Escrow in accordance with the terms of this Agreement. The Initial Deposit and Extension Deposit, as applicable are collectively referred to herein as the “**Total Deposit**”. In the event of a default by County hereunder after expiration of the Due Diligence Period, the Total Deposit shall become non-refundable to County, and payable to the Seller as liquidated damages pursuant to Section 13, below. Subsequent escrow extensions after an Extended Escrow Period is exercised by County may be granted by mutual agreement of the Parties.

Section 4. Due Diligence Period.

(a) Commencing on the Effective Date and terminating _____ (____) calendar days thereafter County may, at County’s sole cost and expense, undertake an investigation of the Property (the “**Due Diligence Period**”). County’s Due Diligence may include, but not be limited to, at County’s sole discretion:

i. A review, inspection and examination of the physical, geological and environmental condition of the Property, including, but not limited to, the receipt of one or more environmental site assessment reports (collectively, the “**Environmental Report**”); provided, however, County shall not conduct any geotechnical soil borings, test pits and other invasive environmental tests of the Property without Seller’s prior written consent;

ii. A review and investigation of any zoning, maps, permits, reports, engineering data, regulations, ordinances, and laws affecting the Property;

iii. An appraisal of the Property (the “**Appraisal**”); and

iv. A review of the economic feasibility of County’s proposed use of the Property.

(b) During the Due Diligence Period and through the close of Escrow the County may enter upon the Property for any and all purposes related to its Due Diligence. County shall indemnify, defend and hold Seller and the Property free and harmless of all claims, liabilities, attorneys’ fees and costs or charges arising out of the entry upon the Property by County and County’s agents.

(c) County at County's sole cost, shall repair all damage caused by County or County's agents in connection with any such inspection or entry and shall return the Property to the condition existing prior to such inspections.

(d) If County, in its sole and absolute discretion, disapproves the results of any inspection or its investigation, County may elect, on or prior to the last day of the Due Diligence Period to terminate this Agreement by giving Seller written notification of its election and receive the return of the Deposit. In the event County fails to deliver written notice to Seller of its disapproval of the Property prior to the expiration of the Due Diligence Period, County shall be deemed to have approved of the Property.

(e) Within _____ (____) calendar days following the Effective Date, Seller shall deliver to County copies of documents, materials or information relating to the Property in Seller's possession (the "**Due Diligence Materials**"), including for example: all leases, subleases, assignments of leases, site plans, service contracts, warranties, guaranties, engineering plans and studies, landscape plans, architectural and civil plans and specifications, covenants, conditions and restrictions, reciprocal easement and/or parking agreements (that are not a matter of record title), utility will-serve letters, zoning letters, subdivision plats, surveys, property condition reports, environmental reports and studies and soils reports that are owned by or in the possession of Seller. Seller acknowledges that such Due Diligence Materials represent all documents in Seller's possession with respect to the Property. In the event that any additional documents are discovered by Seller or come into Seller's possession after the Effective Date, Seller shall promptly deliver said document(s).

(f) In the event County terminates this Agreement prior to Closing, County shall promptly return all Due Diligence Materials provided by Seller.

(g) Seller shall provide County with access to the Property during the Due Diligence Period(s) and through the close of Escrow upon no less than twenty-four (24) hours prior written notice to Seller of County's request therefor.

Section 5. Conditions Precedent.

(a) Conditions to County's Performance. County's obligation to perform under this Agreement is subject to the following conditions:

- i. County's approval of the Property as provided in Section 4 and Section 7;
- ii. Application for and receipt of all necessary governmental permits, licenses, conditional use permits and approvals for the use of the Property, if any. Seller shall, in good faith, cooperate with County in its applications, provided that Seller shall not be obligated to incur any expense in connection therewith;
- iii. Each representation and warranty made in this Agreement by Seller shall be materially true and correct at the time made and as of the Close of Escrow;
- iv. Seller's performance of all obligations under this Agreement prior to the Close of Escrow hereunder and delivery to Escrow Agent the items required to be delivered by Seller;
- v. Escrow Agent being prepared to issue the Title Policy (as hereinafter defined) on the Closing Date, subject only to the Approved Exceptions (as hereinafter defined).

(b) Conditions to Seller's Performance. Seller's obligations hereunder, including, but not limited

to, its obligation to consummate the purchase transaction provided for herein, are subject to the satisfaction, of each of the following conditions, each of which is for the sole benefit of Seller and may be waived by Seller in writing:

- i. County shall have delivered to Escrow Agent the items required to be delivered by County pursuant to Section 6 hereof;
- ii. County shall not be in default under this Agreement and shall have duly performed each and every covenant, undertaking and agreement to be performed by it prior to the Close of Escrow hereunder;
- iii. Each representation and warranty made in this Agreement by County shall be true and correct at the time made and as of the Close of Escrow; and

Section 6. Closing Deliveries.

(a) Seller's Closing Deliveries. Not less than one (1) business day prior to the Closing Date, Seller shall deliver or cause to be delivered to Escrow Agent the following items:

- i. A grant deed fully executed and acknowledged by Seller conveying the Real Property in the form attached hereto as **Exhibit C** (the "**Grant Deed**") with all documentary transfer tax information disclosed;
- ii. A Certificate of Non-Foreign Status duly executed by Seller certifying that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended, together with the equivalent California form (Form 593-C) executed by Seller (collectively, the "**Non-Foreign Affidavits**"); and
- iii. Any other document, instrument or agreement necessary to consummate the transactions contemplated herein reasonably requested by County or Escrow Agent.

(b) County's Closing Deliveries. Not less than one (1) business day prior to the Closing Date, County shall deliver or cause to be delivered to Escrow Agent the following items:

- i. The balance of the Purchase Price;
- ii. Certificate of Acceptance to be attached to the Grant Deed; and
- iii. Any other documents, instruments or agreements necessary to consummate the transactions contemplated herein reasonably requested by Seller or Escrow Agent.

Section 7. Title and Survey.

(a) Within ten (10) calendar days following the Effective Date, Seller shall instruct Escrow Agent to issue to County a current preliminary title report pertaining to the Property, together with the copies of all title exceptions and other matters referred to in such preliminary title report (the "**Preliminary Title Report**").

(b) Within the Due Diligence Period(s), County may, at County's sole cost and expense, cause a land survey of the Property to be prepared.

(c) On or before expiration of the Due Diligence Period, County shall notify Seller in writing, in

County's sole and absolute discretion, of County's approval or disapproval of each exception or other matter that adversely affects County's intended use of the Property shown on the Preliminary Title Report or land survey. If County fails to timely provide written notice to Seller of County's disapproval of any item such failure shall be deemed an election by County to approve all title exceptions identified in the Preliminary Title Report. The Exceptions approved by or deemed approved by County hereunder shall be referred to as the **"Approved Exceptions."**

(d) If any Exception is disapproved in writing by County pursuant to Section 6(c) above (each a **"Disapproved Exception"**), Seller shall, within ten (10) calendar days of Seller's receipt of County's written notice thereof, which must be delivered on prior to expiration of the Due Diligence Period or such right to disapprove shall be waived, notify County in writing of Seller's agreement to remove, alter, modify or otherwise mitigate to the satisfaction of County any Disapproved Exception. In the event that Seller is not willing to remove, alter, modify or otherwise mitigate to the satisfaction of County any Disapproved Exception, County shall elect to either (i) waive its disapproval of such exception, in which case such exception shall then be deemed to be an Approved Exception, or (ii) terminate its obligation to purchase the Property and receive the return of the Deposit. County's failure to give such notice shall be deemed an election to terminate its obligation to purchase the Property. In the event County elects or is deemed to have elected, to terminate its obligation to purchase the Property in accordance with this Section 6, County's obligation to purchase, and Seller's obligation to sell, the Property shall terminate, and neither Party shall have any further obligation to the other except as otherwise provided in this Agreement.

(e) In the event of any supplement to or update of the Preliminary Title Report, County shall have an additional five (5) calendar day period following County's receipt of such supplement or update to approve or disapprove such item in its sole and absolute discretion. Any disapproval will be subject to the notice/response provisions as set forth in Section 7(d) above.

Section 8. Seller Covenants.

(a) Commencing at the Effective Date and until the Closing Date, Seller shall not cause or approve to be recorded against the Property any liens, encumbrances, or easements other than the Approved Exceptions, nor shall Seller enter into or modify any agreement regarding the sale, rental, management, repair, improvement, including the tenant lease or any other matter affecting the Property that would be binding on County or the Property after the Closing without the prior written consent of County.

(b) Commencing at the Effective Date and until the Closing Date, Seller shall operate and manage the Property substantially in accordance with Seller's prevailing custom and practice, subject to casualty and condemnation and shall not cause or approve any act of waste. Seller shall deliver the Property broom clean on the Closing Date, and remove all of Seller's personal property, including furniture, fixtures and equipment from the Property on or before the Closing Date.

(c) Until Closing, Seller shall keep any mortgage(s) against the Property current and not in default and pay taxes and other public charges against the Property so as to avoid forfeiture of County's rights under this Agreement.

(d) Seller agrees as a condition of Closing that it shall deliver exclusive possession of the Property to County on the Closing Date, free and clear of any and all service contracts, leases and any rights in favor of third parties to use or occupy any portion of the Property unless otherwise accepted by the County.

Section 9. Closing.

(a) Title. Simultaneously with the Closing, Escrow Agent shall issue a CLTA standard coverage owner's policy of title insurance to County, with liability equal to the Purchase Price, subject only to the Approved Exceptions and the other standard inclusions found in such policies, as approved by the County during the Due Diligence Period (the "**Title Policy**").

(b) Escrow Instructions. This fully executed Agreement or counterparts hereof shall when delivered to Escrow Agent, constitute Escrow Agent's escrow instructions. Any standard form escrow instructions submitted by Escrow Agent or any other clarification or addition to the instructions contained herein shall, when executed by County and Seller, constitute additional escrow instructions. In the event of any conflict between such additional instructions and this Agreement, the terms of this Agreement shall prevail.

(c) Closing Date. The "**Close of Escrow**" or "**Closing**" means the date on which the Grant Deed conveying title to the Property to County is recorded. The Close of Escrow shall occur on or before the later of the date which is _____ (____) calendar days after the expiration of the Due Diligence Period or Extended Escrow Period, but in no case shall the Closing occur after December 30, 2020, except as extended by County or by mutual agreement of the Parties as set forth herein (the "**Closing Date**").

(d) Close of Escrow. Provided that Escrow Agent shall not have received written notice in a timely manner from County or Seller of the failure of any condition to the Close of Escrow or of the termination of the Escrow subject to rights afforded herein, and upon County and Seller depositing into Escrow the funds and documents required by this Agreement, Escrow Agent shall:

- i. Record Documents. Cause the Grant Deed to be recorded;
- ii. Delivery to County. Immediately upon recording of the Grant Deed or as soon as available thereafter, deliver to County: (i) a conformed copy of the Grant Deed; (ii) the Non-Foreign Affidavits; (iii) any funds deposited by County, and any interest earned thereon, in excess of the amount required to be paid by County hereunder; and (iv) the Title Policy issued by Title Company;
- iii. Delivery to Seller. Immediately upon the recording of the Grant Deed deliver to Seller the balance of the Purchase Price, after satisfying closing costs, prorations and adjustments to be paid by Seller pursuant to this Agreement.

(e) Closing Costs. County shall pay (i) one-half (1/2) of Escrow Agent's escrow fee; (ii) any charges for extended title coverage and any additional title endorsements requested by County; (iii) any charges or fees for the Appraisal. Seller shall pay (i) one-half (1/2) of Escrow Agent's escrow fee; (ii) Title Company's charges for the CLTA standard coverage Title Policy; and (iii) the cost of recording the Grant Deed. All other closing costs and charges shall be paid by the respective Parties in accordance with the customary practice in the County. The foregoing provisions of this Section notwithstanding, should the obligations of County to purchase, and Seller to sell, the Property be terminated in accordance with this Agreement, County and Seller shall each pay one-half (1/2) of the cost of the escrow cancellation fees and other amounts due Escrow Agent and the Title Company; provided, however, that should this Escrow be terminated as a result of the default by one of the Parties hereto, the defaulting Party shall pay the entire amount of the cancellation fees and other amounts due Escrow Agent and the Title Company, and the non-defaulting Party shall have no liability therefor. County and Seller shall each pay their own attorneys' fees in connection with the preparation and negotiation of this Agreement and in connection with the consummation of the transactions contemplated hereby.

(f) Prorations. All current and delinquent property taxes shall be paid by Seller through the end of the tax year in which the Closing Date occurs. Seller may request a refund of property taxes directly from the Treasurer Tax Collector for that portion of the property taxes paid from the Closing Date until the end of the current tax year.

Section 10. Damage and Destruction.

(a) Casualty during Escrow. If there is material damage to the Property or if the Property is destroyed or materially damaged by earthquake, flood, landslide, or other casualty prior to the Closing Date, then County shall have the right, by written notice delivered to Seller and Escrow Agent within ten (10) calendar days after such damage or destruction, to terminate this Agreement and cancel Escrow. Otherwise, if County does not so elect to terminate this Agreement and cancel Escrow by written notice delivered to Seller and Escrow Agent within such ten (10) calendar day period, then this Agreement shall remain in full force and effect, and all insurance proceeds payable to Seller with respect to such damage or destruction, if any, shall be assigned and delivered by Seller to County at the Close of Escrow hereunder. If this Agreement and the Escrow are terminated by County by written notice delivered to Seller and Escrow Agent during such ten (10) calendar day period as provided above, then, notwithstanding the provisions of Section 9(f) above, County and Seller shall each pay one half (1/2) of the Escrow cancellation charges.

(b) Condemnation. If before the Close of Escrow, all or any portion of the Property is subject to an actual or threatened taking by a governmental or quasi-governmental entity or public authority, by the power of eminent domain or otherwise, County shall have the right, exercisable by giving written notice to Seller within ten (10) calendar days after County's receipt of written notice from Seller of such taking to either (a) to terminate its obligation to purchase the Property, in which case County's obligation to purchase, and Seller's obligation to sell, the Property shall terminate, and neither Party shall have any further obligation to the other except as otherwise provided in this Agreement, or (b) to accept the applicable portion of the Property in its then existing condition, in which case, all condemnation awards shall be paid or assigned to County. County's failure to deliver such notice within the time period specified shall be deemed to constitute County's election to accept the applicable portion of the Property in its then existing condition.

(c) As used herein the terms "material" or "materially" shall be deemed to refer to an insured or uninsured casualty to the Property having an estimated cost of repair that exceeds ten percent (10%) of the Purchase Price, as determined by a licensed general contractor selected by Seller and reasonable acceptable to County. As used herein the term a "taking" shall mean where such government or quasi-governmental action affects the Property if the estimated value of the portion of the Property taken exceeds ten percent (10%) of the Purchase Price. The term "estimated value" shall mean an estimate obtained from a M.A.I. appraiser, who has at least five (5) years' experience evaluating property located in the County of Orange, similar in nature and function to that of the Property, selected by Seller and reasonably acceptable to County.

Section 11. County's Representations and Warranties.

County hereby makes the representations and warranties set forth in this section for the benefit of Seller and its successors and assigns, which representations are true in all respects as of the Effective Date. County shall notify Seller in writing promptly if County becomes aware that any representation or warranty has become untrue or misleading in light of information obtained by County after the Effective Date.

(a) Authority. County is a political subdivision of the State of California duly organized, validly existing and in good standing under the laws of the State of California. County has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. The execution of delivery of this Agreement by County has been duly authorized.

(b) No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder on the part of County do not and will not violate any applicable law, ordinance, statute, rule, regulation, order, decree or judgment, conflict with or result in the breach of any terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any of the Property or assets of County by reason of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which County is a part or which is or purports to be binding upon County or which otherwise affects County, which will not be discharged, assumed or released at the Close of Escrow.

(c) Litigation. There are no claims, actions, suits or proceeding continuing, pending or to County's actual knowledge, threatened, which would materially adversely affect County or this transaction.

Section 12. Seller's Representations and Warranties.

Seller hereby makes the representations and warranties set forth in this section for the benefit of County, which representations are true in all respects as of the Effective Date. Seller shall notify County in writing promptly if Seller becomes aware that any representation or warranty has become untrue or misleading or of any material inaccuracy of any of the representations and warranties in light of information obtained by Seller after the Effective Date.

(a) Authority of Seller. Seller is a limited liability company duly formed under the laws of the State of California, is in good standing, and has been qualified to do business in the State of California. The execution, delivery and performance of this Agreement by Seller have been duly authorized by the requisite action on the part of Seller, and no other authorization or consent is required therefor.

(b) Violation of Law. Seller has not received notice from any governmental entity and has no knowledge of any condition at the Property that violates any health, safety, fire, environmental, sewage, building, or other federal, state, or local law, code, ordinance, or regulation, which notice has not been addressed by Seller.

(c) Hazardous Substances. The following terms shall have the following definitions: (1) "**Environmental Laws**" means all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance (as later defined), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property), occupational or environmental conditions on, under, or about the Property, currently in effect; and (2) "Hazardous Substances" means, without limitation, those substances included within the definitions of "hazardous substance," "hazardous waste," "hazardous material," "toxic substance," "solid waste," or "pollutant or contaminant" under any Environmental Law; and other substances, materials, and wastes that are regulated or classified as hazardous or toxic under federal, state, or local laws or regulations, including petroleum hydrocarbons and asbestos. Seller represents that, to its knowledge:

i. The Property does not contain Hazardous Substances in violation of any Environmental Laws;

ii. Seller has received no notice, warning, notice of violation, administrative complaint, judicial complaint, or other formal or informal notice alleging, and has no knowledge, that conditions on the Property are in violation of any Environmental Law, or informing Seller that the Property is subject to

investigation or inquiry regarding Hazardous Substances on the Property or the violation of any Environmental Law; and

iii. Seller has disclosed to County all information, documents, records, and studies in the possession of Seller in connection with the Property concerning Hazardous Substances.

(d) Litigation. There is no known pending or threatened litigation, administrative proceeding, or other legal or governmental action with respect to the Property.

(e) No Conflict. To Seller's knowledge, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder on the part of Seller do not and will not violate any applicable law, ordinance, statute, rule, regulation, order, decree or judgment, conflict with or result in the breach of any terms or provisions of, or constitute a default under the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which Seller is a part or which is or purports to be binding upon Seller or which otherwise affects Seller, which will not be discharged, assumed or released at the Close of Escrow.

(f) Commitments to Governmental Authorities. Except as may be reflected on title to the Property, no commitments have been made by Seller to any governmental authority, utility company, school board, any homeowners' association or to any other organization, group or individual, relating to the Property, which would impose an obligation upon County or its successors or assigns to make any contribution or dedication of money or land, or to construct, install or maintain any improvements of a public or private nature on or off the Property that have not been disclosed in writing to County.

(g) Right of First Refusal. To the best of Seller's actual knowledge no one other than County has a contract, option or right of first refusal to purchase the Property or any part thereof.

(h) Seller shall promptly notify County of any fact or circumstance that becomes known to Seller, which would make any of the foregoing representations or warranties untrue, provided that (a) where any such fact or circumstance was not known to Seller as of the Effective Date, Seller shall not be in default hereunder, but County shall have the right to terminate this Agreement in accordance with the terms hereof, and (b) where such fact or circumstance was known to Seller on or prior to the Effective Date, Seller shall be in default hereunder.

(i) Management of Property. Until the Closing, Seller shall manage and maintain the Property according to Seller's usual and customary manner, in a prudent, businesslike fashion unless otherwise agreed to by the County. Seller shall be responsible for maintaining insurance on the Property and for any losses or claims made on the Property prior to Closing.

(j) Contracts. There are no contracts, commitments, or agreements between Seller and any other party, whether written or oral, relating to the maintenance or operation of the Property or to the performance of services concerning the Property under which County would be obligated or liable from or after the Closing.

(k) Documents. The Due Diligence Materials (i) are complete in all material respects and include correct copies of what they purport to represent; and (ii) fairly presents the information contained therein in a manner which is not materially misleading.

(l) Cooperation. Seller shall cooperate with the County in its inspection of the Property and shall execute such documents as are reasonably necessary to facilitate this inspection and/or the development of the Property in accordance with County's development concept and as required by the governing governmental

authorities, including compliance with the State of California's Project Homekey program.

Section 13. As-Is Sale; Default and Remedies.

(a) As-Is Sale. County does hereby acknowledge and agree that County is purchasing the Property in an "**as-is, where is, with all faults**" condition as of the Closing Date. Seller has made no representations or warranties regarding the Property (except as otherwise contained herein), County shall have undertaken all such inspections and examinations in connection with the Property as County deems necessary or appropriate.

(b) County Default; Seller Remedy. IF THE SALE OF THE PROPERTY IS NOT CONSUMMATED DUE TO COUNTY'S DEFAULT UNDER THIS AGREEMENT, THEN SELLER'S SOLE AND EXCLUSIVE REMEDY FOR SUCH DEFAULT SHALL BE TO TERMINATE THIS AGREEMENT BY GIVING NOTICE OF SUCH TERMINATION TO COUNTY (WITH A COPY TO ESCROW HOLDER) WHEREUPON, NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS, DUTIES OR OBLIGATIONS HEREUNDER EXCEPT THOSE OBLIGATIONS THAT EXPRESSLY SURVIVE TERMINATION OF THIS AGREEMENT AND, IF THE AGREEMENT IS TERMINATED AFTER FULFILLMENT OF THE COUNTY'S CONDITIONS TO CLOSE, SET FORTH IN SECTION 5(A), ABOVE, SELLER SHALL BE ENTITLED TO REIMBURSEMENT FROM THE COUNTY OF THE REASONABLE OUT-OF-POCKET COSTS, INCLUDING REASONABLE ATTORNEYS' FEES, INCURRED BY THE SELLER SOLELY IN CONNECTION WITH THIS AGREEMENT IN THE MAXIMUM AMOUNT NOT TO EXCEED \$25,000.00; WHICH AMOUNT MUST BE REQUESTED IN WRITING WITHIN NINETY (90) DAYS AFTER THE THEN SCHEDULED CLOSING DATE. SELLER AND COUNTY HEREBY AGREE THAT THIS SECTION IS INTENDED TO AND DOES LIMIT THE AMOUNT OF DAMAGES DUE SELLER AND THE REMEDIES AVAILABLE TO SELLER, AND SHALL BE SELLER'S EXCLUSIVE REMEDY AGAINST COUNTY, BOTH AT LAW AND IN EQUITY ARISING FROM OR RELATED TO A MATERIAL BREACH OR DEFAULT BY COUNTY. SELLER SHALL NOT HAVE ANY OTHER RIGHTS OR REMEDIES AS A RESULT OF ANY DEFAULT BY COUNTY, AND SELLER HEREBY WAIVES ANY OTHER SUCH REMEDY AS A RESULT OF A DEFAULT BY COUNTY. WITHOUT LIMITING THE OTHER PROVISIONS OF THIS AGREEMENT, SELLER ACKNOWLEDGES THAT THE PROVISIONS OF THIS SECTION ARE A MATERIAL PART OF THE CONSIDERATION BEING GIVEN TO PURCHASER FOR ENTERING INTO THIS AGREEMENT AND THAT COUNTY WOULD BE UNWILLING TO ENTER INTO THIS AGREEMENT IN THE ABSENCE OF THE PROVISIONS OF THIS SECTION. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT.

(c) Seller Default; County Remedy. IF THE SALE OF THE PROPERTY IS NOT CONSUMMATED DUE TO SELLER'S DEFAULT UNDER THIS AGREEMENT, THEN COUNTY'S REMEDY HEREUNDER SHALL BE LIMITED TO COUNTY'S ELECTION TO EITHER: (I) TERMINATE THIS AGREEMENT IN WHICH EVENT NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT; OR (II) PURSUE THE REMEDY OF SPECIFIC PERFORMANCE OF SELLER'S OBLIGATION TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT, PROVIDED THAT ANY SUCH SUIT FOR SPECIFIC PERFORMANCE MUST BE FILED WITHIN NINETY (90) DAYS AFTER THE THEN SCHEDULED CLOSING DATE. COUNTY SHALL NOT HAVE ANY OTHER RIGHTS OR REMEDIES AS A RESULT OF ANY DEFAULT BY SELLER, AND COUNTY HEREBY WAIVES ANY OTHER SUCH REMEDY AS A RESULT OF A DEFAULT BY SELLER. WITHOUT LIMITING THE OTHER PROVISIONS OF THIS AGREEMENT, COUNTY ACKNOWLEDGES THAT THE PROVISIONS OF THIS SECTION ARE A MATERIAL PART OF THE CONSIDERATION BEING

GIVEN TO SELLER FOR ENTERING INTO THIS AGREEMENT AND THAT SELLER WOULD BE UNWILLING TO ENTER INTO THIS AGREEMENT IN THE ABSENCE OF THE PROVISIONS OF THIS SECTION. THE PROVISIONS OF THIS SECTION SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SELLER WAIVES ALL RIGHTS TO OBTAIN BUYER'S SPECIFIC PERFORMANCE OF THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY RIGHTS PURSUANT TO CIVIL CODE SECTIONS 1680 AND 3384 THROUGH 3395.

SELLER'S INITIALS

(d) Notice and Cure. Notwithstanding anything contained in this Agreement to the contrary, if a Party is in breach under this Agreement ("**Defaulting Party**") the other Party shall have no right to terminate this Agreement or pursue any other remedy for such default unless such default remains uncured by 5:00 p.m. California time on the date that is five (5) business days after the Defaulting Party's receipt of written notice of such breach or default from such other Party.

Section 14. Brokers.

Seller and County each represent to the other that each has had no dealings with any broker, finder, or other Party concerning County's purchase of the Property.

Section 15. Assignment; Successors.

County's rights and obligations hereunder shall not be assignable without the prior written consent of Seller, in Seller's sole and absolute discretion. County shall in no event be released from any of its obligations or liabilities hereunder in connection with any assignment. Subject to the provisions of this Section, this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.

Section 16. Notices.

Any notice, request, demand, instruction or other document (each of which is herein called a "**Notice**") to be given hereunder to any Party shall be in writing and shall be delivered to the person at the appropriate address set forth below by personal service (including express or courier service), by electronic communication, whether by facsimile or electronic mail, or by certified mail, postage prepaid, return receipt requested, as follows:

If to Seller,

Attention: _____

Telephone: _____

E-Mail: _____

If to County, to: CEO Real Estate
 County of Orange
 333 W. Santa Ana Blvd., 3rd Floor
 Santa Ana, California 92701
 Attention: Chief Real Estate Officer
 Telephone: (714) 834-6019
 Facsimile: (714) 834-3346
 E-Mail: thomas.miller@ocgov.com

With a copy to: Office of the County Counsel
 County of Orange
 333 W. Santa Ana Blvd., 4th Floor
 Santa Ana, California 92701
 Attention: _____
 Telephone: (714) 834-_____
 E-Mail: _____

If to Escrow Agent: Stewart Title Insurance Company

 Attention: _____
 Telephone: _____
 Facsimile: _____
 E-Mail: _____

A copy of any Notice given by County or Seller to the other prior to the Close of Escrow shall also be given to Escrow Agent as above provided. Notices so submitted shall be deemed to have been given (i) on the date personally served, if by personal service, (ii) on the date of confirmed dispatch, if by electronic communication or facsimile, or (iii) forty-eight (48) hours after the deposit of same in any United States Post Office mailbox in the state to which the Notice is addressed, or seventy-two (72) hours after deposit in any such post office box other than in the state to which the notice is addressed, postage prepaid, addressed as set forth above. The addresses and addressees, for the purpose of this Section, may be changed by giving written notice of such change in the manner herein provided for giving Notice. Unless and until such written Notice of change is received, the last address and addressee stated by written Notice, or provided herein if no such written Notice of change has been received, shall be deemed to continue in effect for all purposes hereunder. County and Seller hereby agree that Notices may be given hereunder by the Parties' respective counsel and that, if any communication is to be given hereunder by County's or Seller's counsel, such counsel may communicate directly with all principals as required to comply with the provisions of this Section.

Section 17. Entire Agreement/Counterparts.

The Parties intend this paragraph to be a conclusive recital of fact pursuant to Section 622 of the California Evidence Code. This Agreement and the Exhibits attached hereto supersede any prior agreement, oral or written, and contain the entire agreement between the Parties on the subject matter hereof. This Agreement (including the Exhibits attached hereto) is intended to be a final expression of the agreement of the Parties and is an integrated agreement within the meaning of Section 1856 of the California Code of Civil Procedure. No subsequent agreement, representation or promise made by either Party hereto, or by or to any employee, officer, agent or representative of either Party shall be of any effect unless it is in writing and executed by the Party to be bound thereby. There are no contemporaneous separate written or oral agreements

between the Parties in any way related to the subject matter of this Agreement. This Agreement and any modifications, amendments or supplements thereto may be executed in several counterparts, and all so executed shall constitute one agreement binding on all Parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart. The Parties may also deliver executed copies of this Agreement to each other by facsimile or electronic mail, which facsimile or electronic mail signatures shall be binding. Any facsimile or electronic mail delivery of signatures shall be followed by the delivery of executed originals.

Section 18. Severability.

If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

Section 19. Waivers.

A waiver or breach of covenant or provision in this Agreement shall not be deemed a waiver of any other covenant or provision in this Agreement and no waiver shall be valid unless in writing and executed by the waiving Party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act. The exercise of any remedy provided by law and the provisions of this Agreement for any remedy shall not exclude other consistent remedies unless they are expressly excluded.

Section 20. Construction.

As used in this Agreement, the masculine, feminine or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context indicates. This Agreement shall be construed as a whole and in accordance with its fair meaning, the captions being for convenience only and not intended to fully describe or define the provisions in the portions of the Agreement to which they pertain. Each Party hereto, and counsel for each Party hereto, has reviewed and revised this Agreement, and the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation or construction of this Agreement. This document shall, in all respects, be governed by the laws of the State of California applicable to agreements executed and to be wholly performed within the State of California. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail but the provision of this document that is affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

Section 21. Tax Deferred Exchange.

The Parties agree to cooperate with each other in effecting a tax-deferred exchange or exchanges under Internal Revenue Code Section 1031; provided, however, that (a) any rights of the non-exchange Party pursuant to this Agreement shall not be impaired due to any exchange requested by the other Party, (b) the non-exchange Party shall incur no additional costs, expenses or liabilities as a result of or in connection with any exchange requested by the other Party except those incurred in connection with the non-exchange Party's review of customary exchange documentation, and (c) the non-exchange Party shall not be required to take title to any other Property in connection with any exchange requested by the other Party. Failure of either Party to identify or close escrow on an exchange property shall not delay nor be a condition to the close of this escrow. Subject to the foregoing, the Parties agree to execute customary escrow instructions, documents, agreements, or instruments to effect an exchange. Each Party agrees to indemnify, defend and hold the other

Party free and harmless from and against any liability, loss, damage, cost or expense (including, without limitation, reasonable attorneys' fees, costs and expenses) that may arise from the indemnifying Party's exchange.

Section 22. Time.

All periods of time referred to in this Agreement shall include all Saturdays, Sundays and State or National holidays, unless the period of time specifies "**business days**", in which case such period of time shall exclude Saturdays, Sundays and State and 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 that is not a Saturday, Sunday or State or National holiday. For purposes of this Agreement, the phrase "**State and National holiday**" shall refer to any day in which the Escrow Agent, Title Company and/or the Office of the County Recorder for the County of Orange is/are closed for business.

Section 23. Authorization and Delegation.

COUNTY AND SELLER ACKNOWLEDGE THAT ONLY A MUTUALLY EXECUTED DEFINITIVE AGREEMENT APPROVED BY SELLER AND THE ORANGE COUNTY BOARD OF SUPERVISORS SHALL CONSTITUTE THE BINDING MUTUAL AGREEMENT FOR THE PURCHASE OF THE PROPERTY PURSUANT TO THIS AGREEMENT. The Chief Real Estate Officer of the County of Orange is authorized to sign or amend escrow instructions, escrow extensions and/or other written documents as may be required by Escrow Agent, and may take any actions and provide any notices required by County under this Agreement, including waiving any contingencies or conditions.

Section 24. Confidentiality.

Seller and County further agree not to disclose to any unrelated third party, County's and Seller's employees, agents, consultants, attorneys and accountants excluded, any of the facts concerning the execution and delivery of this Agreement or the consummation of the purchase and sale contemplated hereby, including the Purchase Price payable hereunder, without the written consent of the non-disclosing Party, except as otherwise required by law. Notwithstanding the preceding, the rights and obligations of County under this Agreement are subject to Section 25350 of the Government Code of the State of California, which requires County to publicly advertise its intent to purchase real Property. Seller acknowledges that the Orange County Board of Supervisors will publish a Notice of Intention to Purchase the Property and agrees that if, upon public hearing held pursuant to said notice, the Board determines it is not in the public interest to purchase the Property, this Agreement may become null and void and the Parties hereto shall be relieved of all obligations under this Agreement.

Section 25. No Obligation to Third Parties.

Except as expressly set forth in this Agreement, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate either of the Parties hereto, to any person or entity other than each other.

Section 26. Independent Counsel.

EACH PARTY TO THIS AGREEMENT ADMITS, ACKNOWLEDGES AND REPRESENTS THAT IT HAS HAD THE OPPORTUNITY TO CONSULT WITH AND BE REPRESENTED BY

INDEPENDENT COUNSEL OF SUCH PARTIES' CHOICE IN CONNECTION WITH THE NEGOTIATION, EXECUTION AND AMENDMENT OF THIS AGREEMENT. EACH PARTY FURTHER ADMITS, ACKNOWLEDGES AND REPRESENTS THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR STATEMENT MADE BY ANY OF THE ATTORNEYS AND REPRESENTATIVES OF THE OTHER PARTY WITH REGARD TO THE SUBJECT MATTER, BASIS, OR EFFECT OF THIS AGREEMENT.

Section 27. Legal Fees.

If any action or proceeding is commenced by either Party to enforce their rights under this Agreement or to collect damages as a result of the breach of any of the provisions of this Agreement, or to interpret this Agreement, or for any other reason an action or proceeding is commenced by either Party in connection with this Agreement or the Property, each Party shall be responsible for its own costs and expenses, including actual attorneys' fees and expert witness fees.

Section 28. California Environmental Quality Act Compliance

Future use of the Property by the County shall be conditioned on compliance with the California Environmental Quality Act.

Section 29. Governing Law.

This Agreement shall be governed by and construed in accordance with California law.

(Signatures Appear on the Following Page)

SELLER

By: _____

Its: _____

Date: _____

Approved as to Form
Office of the County Counsel
Orange County, California

COUNTY

COUNTY OF ORANGE

By: Michael A. Haubert
Michael Haubert
Senior Deputy County Counsel

By: _____
Thomas A. Miller
Chief Real Estate Officer

ACKNOWLEDGMENT OF ESCROW AGENT

The undersigned, as the Escrow Agent under the foregoing Agreement, hereby acknowledges receipt of fully-executed originals or counterpart copies thereof, and hereby agrees to act in accordance with the instructions set forth therein.

STEWERT TITLE INSURANCE COMPANY

By: _____

Its: _____

Date: _____

SCHEDULE OF EXHIBITS

Exhibit A	Legal Description
Exhibit B	Site Plan of Building
Exhibit C	Grant Deed
Exhibit D	Memorandum of Agreement

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

To be provided by Title Company

EXHIBIT B
SITE PLAN OF BUILDING

To be Provided

EXHIBIT C

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Attention: _____

AND MAIL TAX STATEMENTS TO:

Same as above.

(Space Above Line For Recorder's Use Only)

GRANT DEED

FOR VALUE RECEIVED, _____ (“**Grantor**”) hereby grants to the COUNTY OF ORANGE, a political subdivision of the State of California (“**Grantee**”) all that certain real property situated in the County of Orange, State of California, described on **Exhibit “1”** attached hereto (“**Property**”), together with any and all easements, rights-of-way, privileges, rights and appurtenances benefiting, appertaining or belonging to the Property, including, without limitation, any and all streets and roads (whether opened or proposed) abutting the Property, riparian rights, water or water rights, and/or oil, gas or other minerals laying under the Property. The Property conveyed hereby is subject to (i) non-delinquent general and special real property taxes; (ii) all matters of record; and (iii) such matters that a reasonable inspection or survey of the Property would reveal.

[Signature page follows.]

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 2020.

GRANTOR:

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____,

A Notary Public personally appeared _____

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

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

WITNESS my hand and official seal.

Signature _____



EXHIBIT "1" TO GRANT DEED

DESCRIPTION OF PROPERTY

To be provided by Title Company

EXHIBIT D

MEMORANDUM OF AGREEMENT

RECORDING REQUESTED BY:

WHEN RECORDED RETURN TO:

 (Space Above This Line For Recorder's Use Only)
MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (the "**Memorandum**") has been executed _____, 2020, by and between _____ ("**Owner**") and the County of Orange ("**County**").

Owner and County have entered into a Purchase Agreement and Escrow Instructions, dated _____, 2020 ("**Agreement**") for the purchase by County from Owner of approximately ____ acres ("**Property**") located in the City of _____, County of Orange, California (APN: _____). The legal description of the Property is attached as Exhibit A.

Under the terms of the Agreement, Owner has agreed to sell the Property to County, and County has agreed to buy the Property from Owner.

The purpose of this Memorandum is to give notice of the existence of the County's interest in the Property as set forth in the Agreement, which itself constitutes the agreement between the parties. This document may be executed in counterparts, each of which shall be an original.

"OWNER"**"COUNTY"**

By: _____
 Name: _____
 Title: _____

By: _____
 Name: _____
 Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____,

A Notary Public personally appeared _____

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

**EXHIBIT A
TO
MEMORANDUM OF AGREEMENT**

LEGAL DESCRIPTION