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PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is entered into as of _____, 2020 (“**Agreement Date**”), which is defined as the date the last of the parties executes this Agreement, between the Hesperia Housing Authority, a public body, corporate and politic (“**SELLER**”), and the San Bernardino County Fire Protection District a California special district (“**BUYER**”).

RECITALS

- A. SELLER is the owner of the fee simple interest in certain unimproved real property containing approximately 4.55 acres identified as Assessor’s Parcel Number 0410-182-10 (“**Property**”) and located approximately at the northwest corner of Olive Street and H Avenue in the City of Hesperia, County of San Bernardino, California, and which is legally described on **Exhibit A** and depicted on **Exhibit B**.
- B. BUYER desires to acquire the Property from SELLER.
- C. SELLER agrees to sell and BUYER agrees to purchase, the Property.

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Based upon the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, SELLER and BUYER agree as follows:

- 1. **EFFECTIVE DATE.** This Agreement shall be effective upon the last of the parties to execute this Agreement after a public meeting by each party approving same (“**Effective Date**”).
- 2. **PURCHASE AND SALE OF THE PROPERTY.**

Subject to all of the terms, conditions, and provisions of this Agreement, and for the consideration herein set forth, SELLER agrees to sell to BUYER, and BUYER agrees to purchase from SELLER in AS-IS condition, the Property herein described together with:

- (a) All privileges, rights, easements, appurtenances belonging to the Property excepting any dedications, easements or other right-of-way reserved of record;
- (b) Any development rights and air rights appurtenant to the Property;
- (c) Any minerals, oil, gas, and other hydrocarbon substances on and under the Property subject to any exceptions set forth on the Grant Deed or recorded against Property;
- (d) All right, title and interest of SELLER in and to any streets, alleys, passages, water and sewer taps, sanitary or storm drain capacity or reservations and rights under utility agreements subject to Section 2(a) above, and other easements and rights-of-way

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including in, adjacent to or used in connection with the beneficial use and enjoyment of the Property.

SELLER shall convey the Property to BUYER by a Grant Deed in the form attached as **Exhibit C** (“**Grant Deed**”).

3. **OPENING OF ESCROW.**

Within five (5) business days after SELLER's receipt of a copy of the fully executed (by both BUYER and SELLER) Agreement, the parties shall open an escrow ("**Escrow**") with the Escrow Holder by causing an executed copy of this Agreement to be deposited with Escrow Holder. Escrow shall be deemed open on the date the executed Agreement is delivered to Escrow Holder ("**Opening of Escrow**"). The Escrow Holder shall be Lawyers Title Company, at 1080 Foothill Blvd., Ste. 108, Rancho Cucamonga, CA 91730. The Escrow Officer shall be Carolyn Lamascus, who can be contacted at (909) 660-8888. If Escrow is not opened within five (5) days after the Effective Date, SELLER shall have the right to terminate this Agreement upon written notice to BUYER and Escrow Holder.

4. **PAYMENT OF PURCHASE PRICE.**

4.1 Deposit. Within fifteen (15) business days of the opening of escrow, BUYER shall deliver to SELLER the sum of One Hundred Dollars (\$100.00) ("**Deposit**"), as consideration for BUYER's right to purchase the Property pursuant to this Agreement. The Deposit shall be applicable to the Purchase Price.

4.2 Purchase Price. The purchase price payable by BUYER to SELLER for the Property is the sum of TWO HUNDRED EIGHTY-EIGHT THOUSAND DOLLARS (\$288,000.00) ("**Purchase Price**").

4.3 Payment of Purchase Price. On the day preceding Close of Escrow, BUYER shall deposit the balance of the Purchase Price with Escrow Holder.

4.4 Good Funds. All funds to be deposited in Escrow shall be by means of a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California.

5. **DUE DILIGENCE REVIEW.**

5.1 Inspections. Pursuant to Section 5.2; BUYER and its agents, contractors, consultants, employees, representatives, engineers, and designees (collectively, "**BUYER's Agents**") shall have reasonable access to the Property at all reasonable times until the expiration of the Due Diligence Period (or earlier termination of this Agreement) for the purpose of conducting tests and inspections of the Property, including surveys and architectural, engineering, geotechnical and environmental inspections and tests.

5.2 Right to Enter the Property. Prior to entry onto the Property, BUYER shall (i) notify SELLER of the date and purpose of each intended entry together with the names and affiliations of the persons entering the Property; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property

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during or after such investigation; (iii) comply with all applicable laws and governmental regulations; (iv) allow an employee of SELLER to be present at SELLER's election; (v) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this provision; (vi) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Property in the amounts required by the State of California; (vii) provide to SELLER prior to initial entry a certificate of insurance evidencing that BUYER has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than TWO MILLION DOLLARS (\$2,000,000) which insurance names SELLER as additional insured; (viii) return the Property to substantially its original condition following BUYER's entry; (ix) provide SELLER copies of all studies, surveys, reports, investigations and other tests derived from any with the right to use same ("Reports"); and (x) to take the Property at closing subject to any title exceptions caused by BUYER exercising this right to enter.

The parties agree that breach of any Property entry or restoration conditions in this Section shall constitute a material breach of this Agreement.

5.3 Due Diligence Period. The "Due Diligence Period" shall mean the sixty (60) day period following the Effective Date. All inspections shall be performed by BUYER at BUYER's sole cost and expense. Within five (5) days after the Effective Date, SELLER shall deliver to BUYER copies of all plans, surveys, specifications, studies, reports, test results, and other documents pertaining to the physical, geological, or environmental condition of the Property that is in the possession of SELLER and set forth on **Exhibit D** ("Property Documents"). BUYER acknowledges that SELLER has not made nor makes any warranty or representation regarding the truth, accuracy or completeness of the Property Documents or the source(s) thereof. SELLER has not undertaken any independent investigation as to the truth, accuracy or completeness of the Property Documents and any Property Documents it provides to BUYER are provided solely as an accommodation to BUYER and it is BUYER's responsibility to verify the accuracy, completeness, and veracity of the Property Documents. SELLER expressly disclaims any and all liability for representations or warranties, express or implied, statements of fact and other matters contained in such information, or for omissions from the Property Documents, or in any other written or oral communications transmitted or made available to BUYER. BUYER shall rely solely upon its own investigation with respect to the Property, including, without limitation, the Property's physical, environmental and economic condition including the presence of Hazardous Materials, compliance or lack of compliance with any law, ordinance, order, permit or regulation, the Property's suitability for BUYER's intended use, or any other attribute or matter relating thereto.

5.4 Indemnity for Entry. BUYER agrees to indemnify, and hold SELLER free and harmless from and against any and all losses, damages, liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) which SELLER may suffer or incur as a consequence of BUYER's exercise of the license granted pursuant to Section 5.2 or any act or omission by BUYER, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under BUYER (except SELLER and its agents) with respect to the Property during the term of this Agreement including any claims relating to the payment of

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prevailing wages, excepting any and all losses, damages, liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) arising from the mere discovery by BUYER of any hazardous materials or other conditions and excepting to the extent such claims arise out of the negligence or misconduct of SELLER. BUYER's obligations under this Section shall survive termination of this Agreement for any reason.

5.5 Natural Hazard Disclosure Report. Within five (5) days of the Opening of Escrow, Escrow Holder shall order a commercial natural hazard disclosure report with environmental disclosures from Disclosure Source ("**NHD Report**") and deliver a copy thereof to both BUYER and SELLER.

5.6 Due Diligence Termination Right. If BUYER is not satisfied with the Property for any reason, BUYER may terminate this Agreement by giving written notice of termination to SELLER with a copy to Escrow Holder ("**Due Diligence Termination Notice**") on or before the expiration of the Due Diligence Period. In the event that BUYER fails to deliver BUYER's Due Diligence Termination Notice on or before the expiration of the Due Diligence Period, BUYER shall have conclusively been deemed to have approved its due diligence investigation of the Property and waived its right to terminate this Agreement pursuant to this Section.

5.7 Review of Title. Following the Effective Date of this Agreement, Escrow Holder shall order a preliminary title report, File No. 619672328, issued by Peggy Jones (951) 774-0825 from Lawyers Title Company –located at 3480 Vine Street, Suite 300, Riverside, CA 92507 ("**Title Company**") together with copies all underlying title documents and a plotting of easements (collectively, the "**Preliminary Title Report**"). Escrow Holder shall provide a copy of the Preliminary Title Report to both parties. BUYER shall have the right to obtain a survey of the Property from a licensed surveyor sufficient to obtain an ALTA extended coverage owner's title insurance policy and provide a copy to SELLER ("**Survey**"). BUYER'S review period for the Preliminary Title Report and the Survey shall mean the period of thirty (30) days following the Effective Date ("**BUYER's Title Review Period**"). At any time during BUYER'S Title Review Period, BUYER shall notify SELLER in writing ("**BUYER's Title Notice**") of any objections BUYER may have to title exceptions or other matters contained in the Preliminary Title Report or Survey ("**Title Objections**"). If BUYER does not give such notice by the expiration of BUYER's Title Review Period, such failure shall conclusively be deemed to be BUYER's approval of those matters. If BUYER does timely provide BUYER's Title Notice with Title Objections, SELLER shall have ten (10) days after receipt thereof to notify BUYER that SELLER (a) will endeavor to cause; or (b) elects not to cause any or all of the Title Objections disclosed therein to be removed or insured over by the Title Company in a manner reasonably satisfactory to BUYER. SELLER's failure to notify BUYER within such ten (10) day period as to any Title Objections that SELLER is willing to endeavor to cure or cause to be insured over shall be deemed an election by SELLER not to pursue such endeavor to remove or have the Title Company insure over such Title Objections. If SELLER notifies or is deemed to have notified BUYER that SELLER shall not endeavor to remove nor have the Title Company insure over any or all of the Title Objections, BUYER shall have five (5) business days after the expiration of SELLER's preceding ten (10) business day period to respond to either (a) terminate this Agreement, or (b) waive such Title Objections and proceed to Closing, without any reduction in the Purchase Price on account of such Title Objections. If

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BUYER does not give notice within said period, BUYER shall be deemed to have elected to waive the Title Objections pursuant to this Section.

BUYER shall have the right to request any update to the Preliminary Title Report or the Survey, and if any such update discloses any new materially adverse title or survey matters not disclosed to BUYER prior to the expiration of BUYER's Title Review Period, the foregoing right of review and approval shall also apply to said new matter; provided, however, the period for BUYER to deliver BUYER's Title Notice with respect to such new title matter shall be the later of (i) expiration of BUYER's Title Review Period, or (ii) three (3) business days from receipt of the supplemental title report or survey and the underlying document(s) referenced therein.

At the Closing, the Title Company shall issue an ALTA non-extended owner's policy of title insurance with coverage in the amount of the Purchase Price and showing BUYER as the vested title holder subject to the Approved Title Exceptions and any exception resulting from BUYER's entry onto the Property pursuant to Section 5.2 ("**Title Policy**"). Provided that BUYER provides, at its sole cost and expense, the Survey to the Title Company, the BUYER may require that an ALTA extended coverage owner's title insurance policy be issued to it at Closing.

6. CLOSING.

6.1 Closing Date. The Close of Escrow shall occur not later than thirty (30) days following the expiration of the Due Diligence Period ("**Closing Date**"). The terms "**Close of Escrow**", "**Closing**" and "**Closing Date**" are used herein to mean the time that SELLER's Grant Deed is recorded in the Official Records of San Bernardino County.

6.2 Executive Director Authority. SELLER by its execution of this Agreement agrees that the Executive Director of SELLER or his designee (who has been designated by Executive Director's written notice delivered to BUYER and Escrow Holder) shall have the authority to execute documents on behalf of SELLER including, but not limited to, providing extensions of the Closing provided same do not cumulatively exceed one hundred eighty (180) days.

7. ESCROW.

7.1 Escrow Instructions. Sections 1, 2, 3, 4, 5.5, 5.7, 6, 7, 8 and 12 constitute the escrow instructions to Escrow Holder. If required by Escrow Holder, BUYER and SELLER agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail as between BUYER and SELLER. The terms and conditions in sections of this Agreement not specifically referenced above are additional matters for information of Escrow Holder, but about which Escrow Holder need not be concerned. BUYER and SELLER will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provision upon Escrow Holder's request. BUYER and SELLER agree to execute additional instructions, documents and forms provide by Escrow Holder that are reasonably necessary to close Escrow. All funds received in this Escrow shall be

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deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Southern California and may be disbursed to any other general escrow account or accounts. All disbursements shall be according to that party's instructions.

7.2 Deliveries by SELLER. On or before 12:00 noon Pacific Time on the business day preceding the scheduled Closing Date, SELLER shall deliver to Escrow Holder:

- i. The Grant Deed executed and acknowledged by SELLER;
- ii. An original of the Closing Statement described in Section 7.4, executed by SELLER; and
- iii. All other documents reasonably required by Escrow Holder or the Title Company to carry out and close the Escrow pursuant to this Agreement.

7.3 Deliveries by BUYER. On or before 12:00 noon Pacific Time on the business day preceding the scheduled Closing Date, BUYER shall deliver to Escrow Holder all of the following:

- (i) The Purchase Price,
- (ii) A certificate of acceptance executed by BUYER to be attached to the Grant Deed ("**Certificate of Acceptance**");
- (iii) The escrow costs and prorations for which BUYER is responsible pursuant to this Agreement;
- (iv) An original of the Closing Statement described in Section 7.4, executed by BUYER, and
- (v) All other documents reasonably required by Escrow Holder or the Title Company to carry out and close the Escrow pursuant to this Agreement.

7.4 Closing Statement. No later than two (2) business days prior to the Closing Date, Escrow Holder shall prepare for approval by BUYER and SELLER a closing statement ("**Closing Statement**") on Escrow Holder's standard form indicating, among other things, Escrow Holder's estimate of all closing costs and prorations pursuant to this Agreement.

7.5 Closing, Recording and Disbursements. On the Closing Date, and provided all of SELLER Conditions to Closing and BUYER Conditions to Closing set forth in Section 8 of this Agreement have been satisfied or waived in writing by the appropriate party, Escrow Holder shall take the following actions:

- (a) *Recording.* Escrow Holder shall cause the Grant Deed to be recorded with the Recorder's Office in San Bernardino County, California which shall be returned directly to BUYER.

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(b) *Delivery of Funds.* Escrow Holder shall deliver the Purchase Price to SELLER by wire transfer as provided in written instructions to be furnished to Escrow Holder by SELLER prior to the Close of Escrow.

7.6 Real Property Taxes. Real property taxes will not be prorated between SELLER and BUYER in Escrow as both entities are exempt from real property taxes under California Law.

7.7 Payment of Costs.

7.7.1 *Title Costs.* BUYER shall pay for all costs for the Title Policy.

7.7.2 *Recording Fees.* No recording fees shall be paid for recordation of the Grant Deed as BUYER as a governmental entity is exempt from same.

7.7.3 *Escrow Fees.* All escrow fees shall be paid by BUYER; provided, however, that if the Close of Escrow has not occurred by the Closing Date by reason of a default hereunder, the defaulting party shall bear all Escrow cancellation charges.

7.7.4 *Documentary Transfer Taxes.* Documentary Transfer Taxes shall be paid by SELLER.

7.7.5 *Other Costs and Fees.* All other costs and expenses of Escrow not specifically allocated in this Agreement shall be allocated between BUYER and SELLER in accordance with customary practice in San Bernardino County. BUYER and SELLER shall each be responsible for their respective attorneys' fees and costs for this Agreement.

7.8 Information Report. Escrow Holder shall file and SELLER and BUYER agree to cooperate with Escrow Holder and with each other in completing any report ("**Information Report**") and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e) regarding the real estate sales transaction contemplated by this Agreement, including, without limitation, Internal Revenue Service Form 1099-B as such may be hereinafter modified or amended by the Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. SELLER and BUYER also agree that SELLER and BUYER, their respective employees and attorneys, and Escrow Holder and its employees may disclose to the Internal Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transaction contemplated herein as such party reasonably deems to be required to be disclosed to the Internal Revenue Service by such party pursuant to Internal Revenue Code Section 6045(e), and further agree that neither SELLER nor BUYER shall seek to hold any such party liable for the disclosure to the Internal Revenue Service of any such information.

8. CONDITIONS TO CLOSE OF ESCROW.

8.1 Conditions to SELLER Obligations. In addition to any other condition set forth in this Agreement in favor of SELLER, SELLER shall have the right to condition its obligation to convey the Property to BUYER and close the Escrow upon the satisfaction, or written waiver

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by SELLER, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the “**SELLER Conditions to Closing**”):

(a) ***Delivery of Document and Funds.*** BUYER shall have timely executed and deposited into Escrow all escrow and closing documents required to be submitted by BUYER in order to accomplish the close of Escrow for the Property.

(b) ***Certificate of Acceptance.*** BUYER shall have executed and delivered to Escrow Holder the Certificate of Acceptance to be attached to the Grant Deed prior to recordation.

(c) ***Purchase Price.*** BUYER shall have deposited with Escrow Holder the Purchase Price and all other costs for which BUYER is responsible to pay and all other sums required of BUYER by this Agreement.

(d) ***Title Policy.*** The Title Company is unconditionally and irrevocably committed to issue the Title Policy to BUYER at Closing.

(e) ***Representations and Warranties.*** All representations and warranties made by BUYER in this Agreement are true and correct in all material respects as of the Closing as though made at that time.

(f) ***No Default under the Agreement.*** BUYER shall not be in material default of any of its obligations under this Agreement and no event shall have occurred that would constitute a default with the giving of notice or the passage of time.

8.2 Conditions to BUYER's Obligations. In addition to any other condition set forth in this Agreement in favor of BUYER, BUYER shall have the right to condition its obligation to purchase the Property and close the Escrow upon the satisfaction, or written waiver by BUYER, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the “**BUYER Conditions to Closing**”):

(a) ***Delivery of Documents and Funds.*** SELLER shall have executed and deposited into Escrow the Grant Deed.

(b) ***Title Policy.*** The Title Company is unconditionally and irrevocably committed to issue the Title Policy to BUYER at Closing.

(c) ***Condition of Property.*** The condition of the Property on the Closing Date shall be in the substantially the same condition as it existed at the time the appraisal for the Property was performed by Smothers Appraisal on October 23, 2018 (date of appraisal inspection).

(d) ***Representations and Warranties.*** All representations and warranties made by SELLER in this Agreement are true and correct in all material respects as of the Closing as though made at that time.

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(e) ***No Default under Agreement.*** SELLER shall not be in material default of any of its obligations under this Agreement (and shall not have received notice of a default hereunder which has not been cured).

8.3 Satisfaction of Conditions. Where satisfaction of any of the foregoing conditions requires action by BUYER or SELLER, each party shall use its diligent reasonable efforts, in good faith, and at its own cost, to satisfy such condition.

8.4 Waiver of Conditions. SELLER may at any time or times, at its election, waive any of SELLER Conditions to Closing set forth in Section 8.1 to its obligations hereunder, but any such waiver shall be effective only if contained in writing and signed by SELLER and delivered to BUYER. BUYER may at any time or times, at its election, waive any of BUYER Conditions to Closing set forth in Section 8.2 above to its obligations hereunder, but any such waiver shall be effective only if contained in writing and signed by BUYER and delivered to SELLER.

8.5 Escrow Termination. In the event each of SELLER Conditions to Closing set forth in Section 8.1 is not fulfilled on the Closing Date or such earlier time period as provided for herein or waived by SELLER pursuant to Section 8.3, and provided SELLER is not in default of this Agreement, SELLER may, at its option, terminate this Agreement and the Escrow opened hereunder. In the event that each of BUYER Conditions to Closing set forth in Section 8.2 is not fulfilled on the Closing Date or such earlier time period as provided for herein or waived by BUYER pursuant to Section 8.3, and provided BUYER is not in default of this Agreement, BUYER may at its option terminate this Agreement and the Escrow. No termination under this Agreement shall release either party then in default from liability for such default.

9. REPRESENTATIONS AND WARRANTIES.

9.1 SELLER Representations and Warranties. To SELLER's actual knowledge, SELLER hereby makes the following representations and warranties to BUYER, each of which is material and relied upon by BUYER in making its determination to enter into this Agreement and each of which is re-made as of the Closing Date:

(a) SELLER execution, delivery and performance of its obligations under this Agreement does not constitute a default or a breach under any contract, agreement or order to which SELLER are a party or by which it is bound.

(b) There are no pending, actions, suits, writs, injunctions, decrees, legal proceedings or governmental investigations against the Property.

(c) SELLER has not received any notices of, and has no knowledge of, any violation of any laws, ordinances, rules, regulations or requirements of any governmental agency, body or subdivision affecting or relating to the Property.

9.2 BUYER's Representations and Warranties. BUYER hereby makes the following representations and warranties to SELLER, each of which is material and relied upon by SELLER in making its determination to enter into this Agreement and each of which is re-made as of the Closing Date:

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(a) BUYER has the full right, power and lawful authority to purchase and accept the Property and undertake all obligations as provided herein. The execution, performance and delivery of this Agreement by BUYER has been fully authorized by all requisite actions on the part of BUYER.

(b) BUYER's execution, delivery and performance of its obligations under this Agreement does not constitute a default or a breach under any contract, agreement or order to which BUYER is a party or by which it is bound.

(c) BUYER is not the subject of a current or pending bankruptcy proceeding.

10. **AS-IS SALE; RELEASE OF SELLER AS TO PROPERTY CONDITION.**

BUYER acknowledges that it will be given an adequate opportunity to review and inspect all aspects of the Property during the Due Diligence Period. Except as set forth in Section 9.1, SELLER make no representation or warranty of any kind as to the physical or environmental condition of the Property or in connection with any matter, report or information relating to the condition of the Property, its value, fitness, use, zoning, entitlements, the existence of Hazardous Materials thereon, moratoriums, economic feasibility, developability or any other matter relating to BUYER's proposed use or development of the Property. BUYER shall, upon the Close of Escrow, be deemed to have disclaimed and waived any and all objections to the physical and environmental characteristics and conditions of the Property, including, without limitation, any Hazardous Materials located thereon and the condition of title thereto, whether or not such conditions would be disclosed by reasonable and diligent inspection. BUYER acknowledges and agrees that the purchase of the Property will be on the basis of BUYER's own investigation of the physical and environmental condition of the Property, including subsurface conditions, and BUYER's investigation of the status of zoning, maps and all other matters relating to entitlements. The foregoing disclaimers and waivers include, without limitation, topography, climate, air, water rights, utilities, present and future zoning, governmental restrictions, entitlement rights and obligations, and governmental conditions or development, soil, subsoil, environmental contamination, the purpose to which the property is suited, drainage, access to public roads, proposed routes or roads or extensions thereof or the availability of governmental permits or approvals of any kind. BUYER agrees that SELLER shall have no responsibility for any patent or latent defect or physical or environmental condition of the Property, whether or not known or discovered, and BUYER accepts all such responsibility. The Property is being transferred and sold "AS-IS," "WHERE-IS," "WITH ALL FAULTS" without representation or warranty expressed or implied by SELLER, by operation of law, or otherwise except as otherwise expressly provided in this Agreement. SELLER expressly disclaims, which BUYER hereby acknowledges and accepts, any implied warranty of condition, habitability, merchantability, or fitness for a particular purpose or use.

Except for claims for a breach of the representations and warranties of SELLER provided in this Agreement and claims under CERCLA, BUYER for itself and on behalf of each of its successors (collectively, the "**Releasors**") by this general release of known and unknown claims (this "**Release**") hereby irrevocably and unconditionally release and forever discharge SELLER and its officers, officials, employees, agents, and representatives (collectively, the "**Releasees**") or any of them, from and against any and all claims, damages, losses, costs, liabilities, fees or

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expenses, of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, liquidated or unliquidated, which any of the Releasors now have, own, hold, or claim to have had, owned, or held, against any of the Releasees arising from, based upon or related to, whether directly or indirectly any facts, matters, circumstances, conditions or defects (whether patent or latent) of all or any kinds, related to, arising from, or based upon, whether directly or indirectly, the Property, including without limitation, the physical condition and quality of the Property or the presence of Hazardous Materials in, on, about or under the Property. BUYER acknowledges that it is assuming the risk of such unknown and unanticipated claims and agrees that this release applies thereto, and expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

BUYER's Initials: _____

As used in this Agreement, the following terms shall have the meaning ascribed below:

“Environmental Law” shall mean all applicable past, present or future federal, state and local statutes, regulations, directives, ordinances, and rules, which pertain to environmental matters, contamination of any type whatsoever, or health and safety matters, as such have been amended, modified or supplemented from time to time (including any present and future amendments thereto and re-authorizations thereof), including, without limitation, those relating to: (a) the manufacture, processing, distribution, presence, release, generation, use, handling, assessment, investigation, study, monitoring, removal, remediation, cleanup, treatment, storage, transportation or disposal of Hazardous Materials; (b) air, soil, surface, subsurface, surface water and groundwater; (c) the operation and closure of underground storage tanks; (d) health and safety of employees and other persons; and (e) notification and record keeping requirements relating to the foregoing. Without limiting the above, Environmental Laws also include the following: (a) the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), as amended (“CERCLA”); (b) the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. §§6901 et seq.), as amended (“RCRA”); (c) the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. §§ 11001 et seq.), as amended; (iv) the Clean Air Act (42 U.S.C. §§ 7401 et seq.), as amended; (d) the Clean Water Act (33 U.S.C. §§1251 et seq.), as amended; (e) the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), as amended; (f) the Hazardous Materials Transportation Act (49 U.S.C. §§ 5101 et seq.), as amended; (g) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §§ 136 et seq.), as amended; (h) the Federal Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), as amended; (i) the Federal Radon and Indoor Air Quality Research Act (42 U.S.C. §§ 7401 et seq.); (j) the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), as amended; and (k) any state, county, municipal or local statutes,

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laws or ordinances similar or analogous to (including counterparts of) any of the statutes listed above.

“Hazardous Material(s)” includes, without limitation, any hazardous or toxic material, substance, irritant, chemical, or waste, including without limitation (a) any material defined, classified, designated, listed or otherwise considered under any Environmental Law, including, without limitation, as defined in California Health & Safety Code Section 25260, as a “hazardous waste,” “hazardous substance,” “hazardous material,” “extremely hazardous waste,” “acutely hazardous waste,” “radioactive waste,” “biohazardous waste,” “pollutant,” “toxic pollutant,” “contaminant,” “restricted hazardous waste,” “infectious waste,” “toxic substance,” or any other term or expression intended to define, list, regulate or classify substances by reason of properties harmful to health, safety or the indoor or outdoor environment, (b) any material, substance or waste which is toxic, ignitable, corrosive, reactive, explosive, flammable, infectious, radioactive, carcinogenic or mutagenic, and which is or becomes regulated by any local governmental authority, any agency of the State of California or any agency of the United States Government, (c) asbestos, and asbestos containing material, (d) oil, petroleum, petroleum based products and petroleum additives and derived substances, (e) urea formaldehyde foam insulation, (f) polychlorinated biphenyls (PCBs), (g) freon and other chlorofluorocarbons, (h) any drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources, (i) mold, fungi, viruses or bacterial matter, and (j) lead-based paint.

11. **DEFAULTS.**

11.1 **BUYER’s Default.**

BUYER shall be deemed to be in Default under this Agreement if BUYER fails, for any reason other than SELLER's default under this Agreement or the failure of a condition precedent to BUYER’s obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by BUYER) by reason of BUYER's actual fraud or intentional misrepresentation; provided, however, that no such Default shall be deemed to have occurred unless and until SELLER has given BUYER written notice of the Default, and BUYER has failed to cure such Default within five (5) days after the receipt of such notice (but in any event before the Closing Date, unless such Default occurs after Closing).

THIS PROVISION DOES NOT APPLY TO OR LIMIT IN ANY WAY THE INDEMNITY OBLIGATIONS OF BUYER UNDER THIS AGREEMENT.

SELLER’S INITIALS: _____

BUYER’S INITIALS: _____

11.2 **SELLER’s Default.**

SELLER shall be deemed to be in Default under this Agreement if SELLER fails, for any reason other than BUYER's Default under this Agreement or the failure of a condition precedent to SELLER's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner

ATTACHMENT 2

required in this Agreement, or a material breach shall have occurred of any representation or warranty (made by SELLER) because of SELLER's actual fraud or intentional misrepresentation; provided, however, that no such Default shall be deemed to have occurred unless and until BUYER has given SELLER written notice of the Default, and SELLER has failed to cure such Default within five (5) days after receipt of such notice (but in any event before the Closing Date, unless such Default occurs after Closing).

If SELLER fails to cure a Default, BUYER's sole remedy shall be to terminate this Agreement and recover the Deposit.

11.3 Institution of Legal Actions. In addition to any other rights or remedies and subject to the restrictions set forth in this Agreement, either party may institute an action at law or equity to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any default, to recover damages for any default (subject to the restriction on BUYER's rights to recover monetary damages against SELLER set forth in the final clause of this sentence), or to obtain any other remedy consistent with the purpose of this Agreement; provided, however, that notwithstanding anything in the foregoing to the contrary, in no event shall BUYER be entitled to obtain monetary damages of any kind from SELLER, including, but not limited to, for economic loss, lost profits, or any other economic or consequential damages of any kind. Such legal actions must be instituted in the Superior Court of the County of San Bernardino, State of California.

11.4 Rights and Remedies are Cumulative. Except as otherwise expressly provided in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

11.5 Inaction Not a Waiver of Default. Any failures or delays by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

12. MISCELLANEOUS.

12.1 Notices. All notices, requests, demands, and other communications required or permitted under this Agreement shall be in writing and shall be delivered by either (a) personal delivery, (b) reliable courier service that provides a receipt showing date and time of delivery, including federal express, or (c) registered or certified U.S. Mail, postage prepaid, return receipt requested. Notices shall be addressed to the respective parties as set forth below or to such other address and to such other persons as the parties may hereafter designate by written notice to the other party hereto:

ATTACHMENT 2

To SELLER: Hesperia Housing Authority
9700 Seventh Street
Hesperia, CA 92345
Attn: Nils Bentsen, Executive Director

With a copy to: Aleshire & Wynder LLP
3880 Lemon Street Suite 520
Riverside, CA 92501
Attn. Eric Dunn, Authority Counsel

To BUYER: County of San Bernardino
Attn: Real Estate Services Department
385 North Arrowhead Avenue, 3rd Floor
San Bernardino, CA 92415-0180

Each notice shall be deemed delivered on the date delivered if by personal delivery or by overnight courier service, or on the date of receipt as disclosed on the return receipt if by mail. By giving to the other party written notice as provided above, the parties to this Agreement and their respective successors and assigns shall have the right from time to time, and at any time during the term of this Agreement, to change their respective addresses.

12.2 Relationship Between SELLER and BUYER. It is hereby acknowledged that the relationship between SELLER and BUYER is not that of a partnership or joint venture and that SELLER and BUYER shall not be deemed or construed for any purpose to be the agent of the other.

12.3 Attorneys' Fees. If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This subsection shall not apply to those costs and attorney's fees directly arising from (i) any third party legal action against a party hereto and payable per Section 12.13 for real estate brokerage commissions; and (ii) the release and indemnity provisions per Section 5.4, and in those cases, the prevailing party shall have the right to recover its reasonable attorney's fees from the other party..

12.4 Successors and Assigns. This Agreement shall bind and inure to the benefit of SELLER and BUYER and their respective successors and permitted assigns.

12.5 Assignment. BUYER has no right to assign this Agreement without the prior written consent of SELLER in its sole and absolute discretion.

12.6 Entire Agreement, Waivers. This Agreement incorporates all of the terms and conditions mentioned herein, or incidental hereto, and supersedes all negotiations and previous agreements between the parties with respect to all or part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the party to be charged.

ATTACHMENT 2

12.7 Amendment. Any amendment or modification to this Agreement must be in writing and executed by SELLER and BUYER.

12.8 Prohibited Persons and Transactions. BUYER represents to SELLER that it is not a person or entity with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (“OFAC”) of the Department of the Treasury (including those named on OFAC’s Specially Designated and Blocked Persons List) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and will not engage in any dealings or transactions or be otherwise associated with such persons or entities.

12.9 Computation of Time. In the event that the day on which a party is required to take any action under the terms of this Agreement is a holiday, Saturday or Sunday, such action shall be taken on the next succeeding business day. The term “holiday” shall mean all holidays as specified in Section 6700 and 6701 of the California Government Code.

12.10 Interpretation; Governing Law. This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of California, without regard to conflict of interest principles.

12.11 Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement.

12.12 Time. Time is of the essence in the performance of the parties’ respective obligations under this Agreement.

12.13 Real Estate Brokerage Commission. Upon the Close of Escrow, SELLER shall, at its sole cost, pay all brokerage commissions due to Coldwell Banker Commercial—RES, License No. 01857050 (“**SELLER’s Broker**”) pursuant to the terms of a separate agreement between SELLER and SELLER’s Broker (“**SELLER’s Commission Agreement**”). BUYER shall have no liability or obligation for payment of brokerage commissions to SELLER’s Broker. SELLER represents and warrants that SELLER has not had any contact or dealings regarding the Property through any other person representing SELLER who can claim a right to a commission or finder’s fee as a procuring cause of the sale of the Property other than SELLER’s Broker. Ron Barbieri, License No. 00344191 and Steven Thompson, License No. 01963261 (jointly, “**BUYER’s Agents**”). BUYER represents and warrants to SELLER that BUYER has not had any contact or dealings regarding the Property through any person representing BUYER other than BUYER’s Agents who can claim a right to a commission or finder’s fee as a procuring cause of the sale of the Property. If any other broker or finder asserts a claim for commission or finder’s fee based upon any contact or dealings with BUYER or SELLER, the party through whom the broker or finder makes his claim shall indemnify and hold harmless, the other party from such claim and all costs and expenses (including reasonable

ATTACHMENT 2

attorneys' fees) incurred by the other party as a result of such claim. The provisions of this Section 12.13 shall survive the Close of Escrow.

12.14 Execution in Counterpart. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on both parties hereto, notwithstanding that both parties are not signatories to the original or the same counterpart.

12.15 Exhibits. Exhibits A, B, C and D attached to this Agreement are incorporated herein by this reference and made a part hereof.

13. BOARD OF SUPERVISORS APPROVAL: This Agreement is subject to and shall have no force or effect until and unless first approved by the Board of Supervisors for BUYER.

[SIGNATURES ON FOLLOWING PAGE]

ATTACHMENT 2

IN WITNESS WHEREOF, SELLER and BUYER have entered into this Agreement as of the date first set forth above.

REMINDER: SECTIONS 10 & 11.1 NEED TO BE INITIALED.

SELLER:

**HESPERIA HOUSING AUTHORITY,
a public body, corporate and politic**

By: _____
Larry Bird, Chair

Date: _____, 2020

ATTEST:

Melinda Sayre, Authority Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER LLP

By: _____
Eric Dunn
City Attorney

BUYER:

**SAN BERNARDINO COUNTY FIRE
PROTECTION DISTRICT, a California
special district**

By: _____
Curt Hagman
Chairman, Board of Supervisors

Date: _____, 2020

**SIGNED AND CERTIFIED THAT A COPY OF
THIS DOCUMENT HAS BEEN DELIVERED TO
THE CHAIR OF THE BOARD**

LYNNA MONELL,
Clerk of the Board of Supervisors

By: _____
_____, Deputy

Date: _____, 2020

APPROVED AS TO LEGAL FORM:

**Michelle D. Blakemore, County Counsel
San Bernardino County, California**

By: _____
Robert F. Messinger
Principal Assistant County Counsel

Date: _____, 2020

ATTACHMENT 2

ACCEPTANCE BY ESCROW HOLDER

The undersigned hereby acknowledges that it has received a fully executed copy of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder.

LAWYERS TITLE COMPANY

_____, 2020

By: _____
Carolyn Lamascus, Escrow Officer

ATTACHMENT 2

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

That certain real property in the City of Hesperia, County of San Bernardino, State of California legally described as follows:

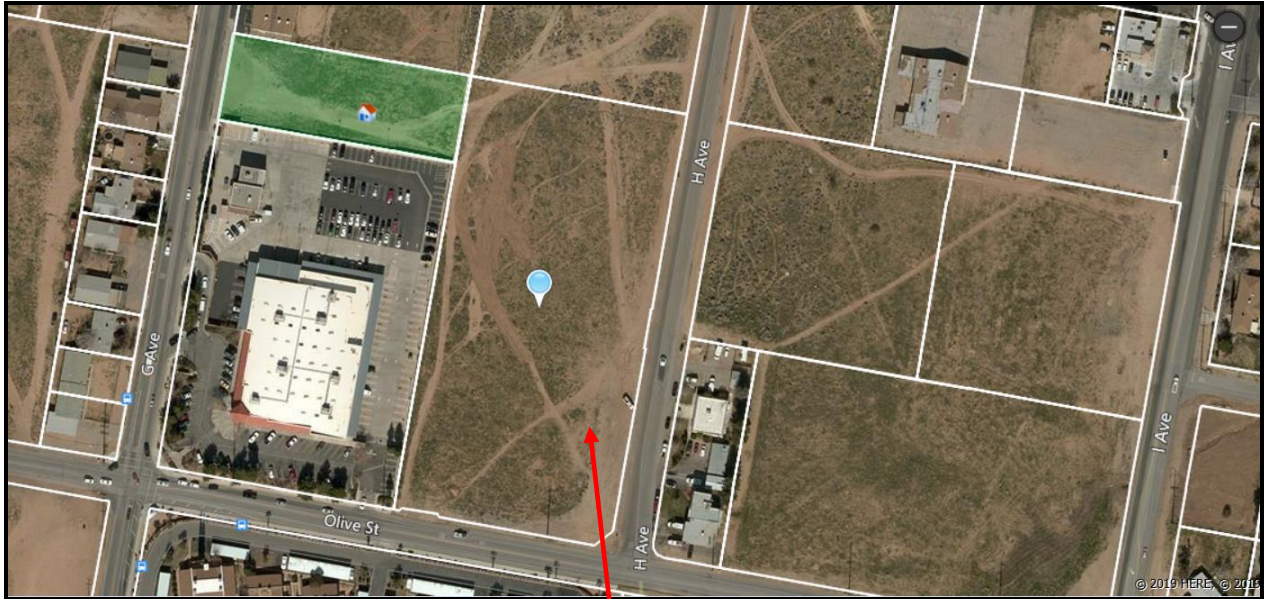
THE EAST ONE-HALF OF LOT B IN BLOCK 376, OF THE TOWN OF HESPERIA, AS SHOWN ON A PLAT RECORDED IN BOOK 7 OF MAPS, PAGE 43, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA

APN: 0410-182-10-0-000

ATTACHMENT 2

EXHIBIT B

DEPICTION OF PROPERTY



**Property
APN 0410-182-10**

ATTACHMENT 2

EXHIBIT C

GRANT DEED

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

County of San Bernardino
Attn: Real Estate Services Department
385 North Arrowhead Avenue, 3rd Floor
San Bernardino, CA 92415-0180

RECORDER:

This instrument is for the benefit of the County of San Bernardino and is entitled to be recorded without fee (Govt. Code 6103)

APN. 0410-182-10

(Space Above This Line for Recorder's Office Use Only)

THE UNDERSIGNED GRANTOR DECLARES that the documentary transfer tax (computer on full value) is \$0.00
Conveyance to a Government Entity. R&T 11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged , HESPERIA HOUSING AUTHORITY, a public body, corporate and politic ("**Grantor**") grants to the SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, a California special district ("**Grantee**"), all of its rights, title, and interest in that certain real property in the City of Hesperia, County of San Bernardino, State of California, as more particularly described in Exhibit A attached hereto and incorporated by this reference ("**Property**").

Grantor has determined that the Property is not required for its foreseeable needs and it is being disposed of pursuant to the Health & Safety Code.

IN WITNESS WHEREOF, Grantor has caused this Grant Deed to be executed on its behalf as of the date written below.

GRANTOR:

ATTEST:

**HESPERIA HOUSING AUTHORITY,
a public body, corporate and politic**

Melinda Sayre, Authority Secretary

By: _____
Larry Bird, Chair

APPROVED AS TO FORM:

ALESHIRE & WYNDER LLP

By: _____
Eric Dunn, Authority Attorney

ATTACHMENT 2

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

That certain real property in the City of Hesperia, County of San Bernardino, State of California legally described as follows:

THE EAST ONE-HALF OF LOT B IN BLOCK 376, OF THE TOWN OF HESPERIA, AS SHOWN ON A PLAT RECORDED IN BOOK 7 OF MAPS, PAGE 43, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA

APN: 0410-182-10-0-000

ATTACHMENT 2



CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within instrument to the County of San Bernardino, a body corporate and politic of the State of California, is hereby accepted by the undersigned officer/agent on behalf of the Board of Supervisors pursuant to authority conferred by resolution of the Board of Supervisors adopted on March 27, 2012 and the Grantee consents to recordation thereof by its duly authorized officer/agent

Dated: _____

By: _____
Terry W. Thompson, Director
Real Estate Services Department

ATTACHMENT 2

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)
) ss.
COUNTY OF _____)

On _____, 201_ 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.

Notary Public

SEAL:

ATTACHMENT 2

EXHIBIT D

LIST OF PROPERTY DOCUMENTS.

NONE