

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS
APN 358-390-41

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS ("PSA"), dated for reference purposes only as of November 30, 2016, is by and between the CITY OF PARLIER, a municipal corporation, as Successor Agency to the Redevelopment Agency of the City of Parlier ("Successor Agency" or "Seller"), and Carlos Garcia, an Individual, ("Purchaser"). Seller and Purchaser are referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

A. Seller is the fee owner of approximately 1.03 acres of real property identified as Lot 6 in the Successor Agency's Long Range Property Management Plan ("PMP"), located on East Industrial Drive, west of South Milton Avenue (no situs address available) in the City of Parlier, Fresno County, California, described as Assessor's Parcel Number 358-390-41 and more particularly described in the Legal Description attached hereto as Exhibit A, attached hereto and incorporated herein, including all improvements located thereon ("Property"); and all rights, privileges, easements and appurtenances to the Property, if any, including, without limitation, all of Seller's right, title and interest, if any, in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto; and all of Seller's right, title and interest in and to any easements and other appurtenances used or connected with the beneficial use or enjoyment of the Property together with Seller's interest in and to any architectural, site, landscaping, or other permits, applications, development rights or agreements, licenses, approvals, certificates, authorizations and other entitlements, will serve letters, transferable guarantees and warranties covering the Property, all contract rights (including rights under the Service Contracts as hereinafter defined), books, records, reports, test results, environmental assessments, as-built plans, specifications and other similar documents and materials relating to the use or operation, maintenance or repair of the Property or the construction or fabrication thereof, and all transferable utility contracts relating to the Property, to the extent assignable and accepted by Purchaser.

B. In December 2011, a California State Supreme Court ruling on the constitutional validity of two 2011 legislative budget trailer bills, Assembly Bill ("AB") IX 26 (Chapter 5, Statutes of 2011) and ABIX 27 (Chapter 6, Statutes of 2011), resulted in the outright elimination of all 425 redevelopment agencies in the State of California. The dissolution procedures under ABIX 26 include a process for the disposition and/or transfer of assets, including property holdings of former redevelopment agencies. Subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012), which was passed, signed, and enacted on June 28, 2012, made significant changes to the provisions of ABIX 26, including the process for asset management/disposition/transfers. Senate Bill ("SB") 107, which was signed by the Governor on September 22, 2015 also made changes to the property disposition provisions of ABIX 26 and AB 1484. All three pieces of legislation are herein referred to as the Dissolution Act.

C. Under the Dissolution Act, the Property is subject to the disposition process requiring the State Department of Finance ("DOF") to approve a PMP prepared by the Successor

Agency describing the proposed sale of properties owned by the Successor Agency, including the Property. The PMP was approved by DOF on May 29, 2014.

D. Seller desires to sell, and Purchaser desires to purchase, the Property, all in accordance with the terms set forth below.

TERMS & CONDITIONS

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

1. **Sale.** On the terms contained herein and subject to the conditions of this PSA, Purchaser hereby agrees to purchase from Seller, and Seller agrees to sell to Purchaser the Property, on the Closing Date (as defined in Section 12).

2. **Acceptance.** Within three (3) Business Days from Oversight Board approval, Seller shall accept and execute this PSA ("Acceptance"). The PSA shall be deemed accepted upon approval by the Oversight Board and full execution by the Seller and Purchaser.

3. **Opening of Escrow.** Within three (3) Business Days of Acceptance, the parties shall open an escrow ("Escrow") with Escrow Holder by causing an executed copy of this PSA to be deposited with Connie Cauthen, Escrow Officer, CHICAGO TITLE COMPANY, 1140 F Street, Suite 103, Reedley, CA 93654, Telephone: (559) 638-8348, Fax: (559) 638-9876, Email: CauthenC@CTT.com ("Escrow Holder"). Escrow shall be deemed open on the date that a fully executed copy of this PSA is delivered to Escrow Holder and accepted by Escrow Holder as evidenced by Escrow Holder's execution of this PSA ("Opening of Escrow").

4. **Purchase Price.** The purchase price for the Property ("Purchase Price") shall be in the amount of THIRTY-FIVE THOUSAND SEVEN HUNDRED SIXTY FOUR AND 00/100 DOLLARS (\$35,764.00), which the Seller and Purchaser agree to be the fair market value of the Property. The Purchase Price shall be paid as follows:

4.1 **Deposit.** Upon receipt by Purchaser of a signed copy of this PSA from Seller, and acceptance of the terms and execution of this PSA by Purchaser, Purchaser shall, within five (5) Business Days thereafter, deposit the sum of FIVE THOUSAND AND 00/100 DOLLARS (\$5,000.00) ("Deposit") with the Escrow Holder, to be held in escrow for the benefit of the parties and applied against the Purchase Price at Closing (as defined in Section 12) or refunded or forfeited in accordance with the terms of this PSA.

The Deposit shall be held by Escrow Holder in an interest-bearing account and any interest earned and accrued on the Deposit shall become part of the Deposit. The Deposit shall be fully refundable to Purchaser on or before the expiration of the Contingency Period and any Extended Contingency Periods without need for further instruction or approval of the Parties. In the event Purchaser expressly waives contingencies in writing and elects to continue and does not terminate this PSA on or prior to the expiration of the Contingency Period, the Deposit shall become immediately non-refundable and held in Escrow, except in the event of a Seller default, a failure of a condition precedent in favor of Purchaser (other than contingency items required to be approved during the Contingency Period or Extended Contingency Period).

or as otherwise specifically set forth in this PSA, but in all events the Deposit shall be applicable to the Purchase Price. If the purchase and sale of the Property is not consummated because of a default under this PSA on the part of Purchaser after the expiration of the Contingency Period or Extended Contingency Period, the Escrow Holder shall disburse the Deposit to Seller as liquidated damages pursuant to Section 10.1 below.

4.2 Cash at Closing. Upon the Escrow Holder's receipt of all Closing Items (as defined in Section 5), Purchaser shall deposit with the Escrow Holder, in cash, by certified check or by wire transfer of immediately available funds the balance of the Purchase Price, less the Deposit, plus or minus closing pro-rations, adjustments, and costs related to the Closing. The Purchase Price shall be disbursed to Seller by the Escrow Holder upon confirmation of the recordation of the Deed (as defined in Section 5.1.1) in the Official Records of Fresno County.

5. Closing Deliveries to Escrow Holder.

5.1 By Seller. Seller hereby covenants and agrees to deliver or cause to be delivered to Escrow Holder on or before 1:00pm one (1) Business Day prior to the Closing Date the following instruments and documents, the delivery of each of which shall be a condition precedent to the Closing for the benefit of Purchaser.

5.1.1 Deed. An executed grant deed in the form attached hereto as Exhibit B ("Deed").

5.1.2 Non-Foreign Certification. Seller shall deliver to Escrow Holder a certification duly executed by Seller under penalty of perjury in the form of, and upon the terms set forth in, the Transferor's Certification of Non-Foreign Status ("FIRPTA Certificate"), setting forth Seller's address and federal tax identification number and certifying that Seller is a "United States Person" and that Seller is not a "foreign person" in accordance with and/or for the purpose of the provisions of Sections 7701 and 1445 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

5.1.3 Closing Statement. An executed settlement statement reflecting the pro-rations and adjustments required under Section 10.

5.1.4 Closing Documents. Any additional tax forms, recordation forms, 1099s or other documents as may be reasonably required by the Escrow Holder or the Title Company to consummate the transaction contemplated by this PSA.

5.1.5 Cash Pro-rations. The amount, if any, required of Seller under Section 10.

5.2 By Purchaser. Purchaser hereby covenants and agrees to deliver or cause to be delivered to Escrow Holder on or before 1:00pm one (1) Business Day prior to the Closing Date the following instruments and documents, the delivery of each of which shall be a condition precedent to the Closing for the benefit of Seller.

5.2.1 Purchase Price. Purchaser shall deliver to Escrow Holder the Purchase Price in accordance with Section 4.

5.2.2 Preliminary Change of Ownership Report. Purchaser shall deliver to Escrow Holder a Preliminary Change of Ownership Report completed in the manner required in Fresno County.

5.3 Additional Closing Items. Each party shall also execute and deliver to the Escrow Holder such documents, certificates and instruments as may customarily be required in transactions of this type. The items required to be submitted to the Escrow Holder pursuant to this Section and Sections 5.1 and 5.2 are referred to herein collectively as the "Closing Items."

6. **Title**. As evidence of title, within five (5) days of the Opening of Escrow, or as soon thereafter as is reasonably practical, the Seller shall deliver to the Purchaser a commitment for an owner's policy of title insurance with standard exceptions ("Title Insurance Commitment") issued by CHICAGO TITLE COMPANY (Connie Cauthen, Escrow Officer, 1140 F Street, Suite 103, Reedley, CA 93654, Telephone: (559) 638-8348, Fax: (559) 638-9876, Email: CauthenC@CTT.com) ("Title Company"), in the amount of the Purchase Price (or such amount as required by Purchaser), dated later than the Opening of Escrow, and guaranteeing the title in the condition required for performance of this PSA, together with copies of all documents shown in the commitment as affecting title ("Title Documents") and a scaled and dimensioned plot showing the location of any easements on the Property. At Closing, the Seller shall pay the premium for a CLTA standard coverage owner's policy.

The Purchaser shall have fifteen (15) days from receipt of the Title Insurance Commitment and Title Documents to inspect the state of the title and matters affecting title, and to object to the matters shown thereby. Failure to object in writing within the above period shall constitute a waiver of the Purchaser's objections to title. If the Purchaser objects to any matter disclosed by the Title Insurance Commitment or Title Documents, then the Seller shall have fifteen (15) Business Days from the date it is notified in writing of the particular defects claimed, to elect, in its reasonable discretion, either: (1) to remedy the title defect that is the subject of the Purchaser's objection, or (2) not remedy the title defect that is the subject of the Purchaser's objection, at Seller's option: Seller's election shall be communicated in writing to Purchaser. If Seller elects not to remedy such title defect, then Purchaser shall have two (2) Business Days following receipt of Seller's notification under the preceding sentence to elect to either (x) waive its title objection and accept title subject to the alleged title defect, or (y) terminate this PSA and receive a refund of the Deposit.

Seller may cure any title objection that may be cured by the payment of a sum certain (such as existing mortgages, land contracts and other liens) by paying or depositing that sum at Closing.

Notwithstanding the foregoing, Purchaser hereby objects to all liens evidencing monetary encumbrances (other than liens for non-delinquent general real property taxes to be paid by Purchaser under this PSA) and Seller agrees to cause all such liens to be eliminated at Seller's sole cost (including all prepayment penalties and charges) prior to the Closing Date. At the Closing, Seller will provide the Title Company with a commercially reasonable owner's

affidavit, which will include a representation by the Seller (if accurate as of the Closing) that will allow the Title Company to issue an endorsement to Purchaser's title policy against potential mechanic's and materialmen's liens; provided, however that if such representation is not accurate, Seller will work with the Title Company to provide alternative assurances to allow the Title Company to issue to Purchaser such lien endorsement at the Closing.

Notwithstanding anything to the contrary contained in this PSA, if, at any time prior to the Closing, any updates to the Title Insurance Commitment are received by Purchaser, Purchaser shall have ten (10) Business Days (regardless of the date) following Purchaser's receipt of such update and legible copies of all underlying documents referenced therein (that were not referenced in the Title Documents previously provided to Purchaser) to notify Seller of objections to items on any such updates ("Title Updates"). Purchaser, at its sole election and additional cost, may hire a land surveyor for the purpose of preparing an ALTA survey for the Property (the "Survey"). Notwithstanding the foregoing, Purchaser shall have ten (10) Business Days after receipt of the Survey to object to any matters of survey in writing to Seller, in which event the procedure set forth in this Section shall apply to such Survey objections.

7. **Possession.** Unless this PSA is terminated pursuant to the terms hereof, the Seller shall deliver and the Purchaser shall accept possession of the Property on the Closing Date, without any rights of tenants or any other party in possession.

8. **Conditions to Closing.** Seller's obligation to sell and Purchaser's obligation to purchase the Property shall be subject to and expressly conditioned upon satisfaction (or waiver) of the following conditions precedent to the Closing set forth in Sections 8.1 through 8.3, which shall be exclusively for the benefit of Seller and Purchaser.

8.1 Financial Information. This is an all cash purchase. This contract is not contingent on financing. No loan is needed to purchase the property. The offer is NOT contingent on the Purchaser obtaining a loan. Purchaser shall provide Seller with written verification of sufficient funds to close this transaction within five (5) days after Acceptance.

8.2 DOF Approval. Purchaser acknowledges that this PSA shall be expressly contingent upon and subject to the approval by the DOF of the sale of the Property ("Final Approval Date"). Seller shall notify the Purchaser within three (3) business days of the Final Approval Date. Purchaser shall have the right to terminate this PSA by written notice to the Seller if DOF approval is not obtained by the Seller within one hundred twenty (120) days following the Opening of Escrow.

8.3 Schedule of Performance. The Parties agree to the Schedule of Performance and the times set in the Schedule of Performance, attached hereto as Exhibit "C."

9. **Purchaser's Contingencies, Contingency Period, Survey and Development Approvals.** Within one twenty eighty (120) calendar days following the Opening of Escrow (the "Contingency Period"), Purchaser shall have the right to perform and to seek any and all necessary investigations, inspections and approvals necessary to develop and operate the Project at the Property, as described in Sections 9.1, 9.2, and 9.3:

9.1 Review and Approval of Documents and Materials. Within ten (10) days of the Opening of Escrow, Seller shall deliver to Purchaser any and all documents, reports, surveys, environmental assessments, engineering reports, building plans and blueprints for the Property and other materials in Seller's possession or under its control or that of its agents, respecting the Property, including any Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties, any Natural Hazard Zone Disclosure Report, and any lease agreements relating to any tenant or occupant then occupying the Property (collectively, "Materials"). During the Contingency Period, Purchaser may review and evaluate the Materials to determine whether the Property is appropriate for Purchaser's proposed use, in its sole discretion.

9.2 Purchaser's Due Diligence & Survey. During the Contingency Period or Extended Contingency Period, the Purchaser and its agents may, at the Purchaser's sole expense, conduct tests and physical inspections of the property, including building inspections and environmental site assessments desired by the Purchaser. Purchaser shall also conduct such investigations with regard to zoning, building codes, and availability of permits and approvals for its intended construction and use of the Property, as it deems prudent in its sole discretion. Purchaser shall restore the Property to the condition that it was in prior to those tests and inspections and shall indemnify, defend and hold Seller harmless from all damages, costs, loss, expense (including attorney fees) and liability resulting from Purchaser's activities, acts and omissions on the Property.

Notwithstanding anything to the contrary contained in this PSA, (i) the defense, indemnity and hold harmless provision contained in this Section shall not apply to the extent such liabilities arise in connection with the negligence or willful misconduct of Seller, its employees, agents, contractors, licensees or invitees and (ii) provided further that Purchaser shall have no liability to Seller or to its employees, agents or contractors by reason of, nor shall Purchaser have any duty to indemnify, defend or hold any person or entity harmless from or against, any liabilities, including, without limitation, any claim for diminution in value of the Property or for environmental remediation or clean-up costs, resulting directly from Purchaser having merely discovered and/or reported (to the extent required by applicable law) any adverse physical condition, title condition, environmental condition or other defect with respect to the Property. The foregoing provisions shall survive the Closing or any termination of this PSA. Purchaser shall notify Seller in advance of its desire to conduct any inspections at the Property to give Seller adequate opportunity to make reasonable arrangements with the tenant in possession (if any). During the Contingency Period or Extended Contingency Period, the Purchaser shall have the right, but not the obligation, to cause a Survey of the Property at its own expense. The Survey report shall also: (1) be certified to the Purchaser and (2) be prepared and sealed by a registered California Property Surveyor. Copies of any final non-privileged, non-attorney-client work product reports and/or surveys prepared pursuant to this PSA shall be delivered to Seller. Purchaser shall not be liable for reports/Survey and said reports/Survey are provided to the Seller for reference purposes only.

9.3 Purchaser's Objections. Purchaser shall have the right at any time on or before the expiration of the Contingency Period to terminate this PSA if, during the course of Purchaser's due diligence investigations of the Property and in connection with its obtaining of the Approvals, Purchaser determines in its sole and absolute discretion that the Property is not

acceptable to Purchaser. Purchaser has termination rights during the Extended Contingency Periods as described in Section 9.4.

9.4 Extended Contingency Period. Notwithstanding anything contained herein to the contrary, provided that Purchaser has been diligently pursuing its due diligence investigations of the Property and obtaining the Approvals, Purchaser and Seller shall extend the Contingency Period (each, an "Extended Contingency Period") by Purchaser notifying the Seller of its desire to do so before the prior Contingency Period or Extended Contingency Period, as applicable, has lapsed. Upon the exercise of an Extended Contingency Period, all references in this PSA to "Contingency Period" shall be deemed to include the exercised Extended Contingency Period.

(a) Each Extended Contingency Period is also referred to herein individually as an "Extended Contingency Period" and collectively as "Extended Contingency Periods."

9.5 Termination Notice. Purchaser may exercise Purchaser's termination rights pursuant to Sections 9.3 and 9.4 by delivering written notice of termination to Seller and Escrow Agent (a "Termination Notice") on or before the expiration of the Contingency Period or Extended Contingency Period, as applicable. Upon the timely delivery of such Termination Notice, (i) Escrow Agent shall immediately return the Deposit to Purchaser without the need for further instruction or approval of the parties, and (ii) this PSA shall automatically terminate and be of no further force or effect and neither party shall have any further rights or obligations hereunder.

9.6 Disclaimer of Warranties. Purchaser shall acquire the Property in its "AS IS AND WHERE AS" condition and shall be responsible for any and all defects in the Property, whether patent or latent, including, without limitation, the physical, environmental, and geotechnical condition of the Property, and the existence of any contamination, hazardous materials, vaults, debris, pipelines, wells, or other structures located on, under or about the Property. Except as expressly set forth in this PSA, Seller makes no representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property. Purchaser acknowledges that, once Purchaser obtains title to the Property, any liability of the Seller for the environmental condition of the Property shall be extinguished, and that Seller shall have no liability for remediating any environmental condition of the Property. Purchaser shall indemnify Seller against any claim or liability relating to the environmental condition of the Property; provided, however, that Seller shall remain liable for (1) any hazardous materials released into the Property while Seller owned the Property, (2) any third party claim that arose during Seller's ownership of the Property; (3) Seller's fraud or willful misconduct in connection with this PSA; and (4) breach of Seller's Representation and Warranties. The foregoing indemnity obligation shall survive the Closing. With respect to the matters released by the Purchaser pursuant to this Section 9, Purchaser waives the benefits of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if

known by him or her must have materially affected his or her settlement with the debtor”

10. **Prorated and Adjusted Items.** The following items shall be prorated and/or adjusted using a 365-day year as follows:

10.1 Taxes. Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year. Seller is a public agency and therefore exempt from the payment of property taxes. Purchaser shall be responsible for all applicable prorated taxes once Purchaser obtains title to the Property.

10.2 Other Costs. Seller shall pay all water, sewer, telephone, and all other applicable utility charges incurred on or before the Closing Date with respect to the Property. After the Closing, Purchaser shall pay all such charges. Seller shall pay the applicable transfer taxes, the cost of recording any curative instruments and the cost of a CLTA standard coverage owner's title policy. Purchaser shall pay the cost of recording the Deed conveying title to the Property, the costs associated with Purchaser's financing, the cost of any extended coverage or ALTA owner's title policy and the cost of any title endorsements. Escrow fees shall be shared equally by the parties. Each party shall pay its own legal fees.

11. **Default.**

11.1 PURCHASER'S DEFAULT. IF PURCHASER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY UNCURED MATERIAL DEFAULT OF PURCHASER (AND NOT DUE TO A FAILURE OF A CONDITION PRECEDENT), SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO PURCHASER. PURCHASER AND SELLER HEREBY ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO FIX OR ESTABLISH THE ACTUAL DAMAGE SUSTAINED BY SELLER AS A RESULT OF SUCH DEFAULT BY PURCHASER, AND AGREE THAT THE DEPOSIT (INCLUDING ALL INTEREST ACCRUED THEREON) IS A REASONABLE APPROXIMATION THEREOF. ACCORDINGLY, IN THE EVENT THAT PURCHASER BREACHES THIS AGREEMENT BY DEFAULTING IN THE COMPLETION OF THE PURCHASE, THE DEPOSIT (INCLUDING ALL INTEREST ACCRUED THEREON) SHALL CONSTITUTE AND BE DEEMED TO BE THE AGREED AND LIQUIDATED DAMAGES OF SELLER, AND SHALL BE PAID BY PURCHASER TO SELLER AS SELLER'S SOLE AND EXCLUSIVE REMEDY. EXCEPT FOR ATTORNEYS' AND OTHER FEES RECOVERABLE PURSUANT TO SECTION 24 AND ITS RIGHTS TO BE INDEMNIFIED AS PROVIDED IN THIS AGREEMENT, SELLER AGREES TO AND DOES HEREBY WAIVE ALL OTHER REMEDIES AGAINST PURCHASER WHICH SELLER MIGHT OTHERWISE HAVE AT LAW OR IN EQUITY BY REASON OF SUCH DEFAULT BY PURCHASER. THE PAYMENT OF THE DEPOSIT (INCLUDING ALL INTEREST ACCRUED THEREON) AS LIQUIDATED DAMAGES IS NOT INTENDED TO BE A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

SELLER'S INITIALS: _____ PURCHASER'S INITIALS: _____

11.2 SELLER'S DEFAULT. IF SELLER FAILS TO COMPLETE THE SALE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY MATERIAL DEFAULT OF SELLER (AND NOT DUE TO A FAILURE OF A CONDITION PRECEDENT), PURCHASER MAY EITHER (I) PROCEED AGAINST SELLER BY BRINGING AN ACTION FOR SPECIFIC PERFORMANCE UNDER THIS AGREEMENT WITHOUT ANY RIGHT TO SEEK DAMAGES OF ANY KIND OR NATURE, OR (II) TERMINATE THIS AGREEMENT IN WHICH EVENT THE INITIAL DEPOSIT AND ANY ADDITIONAL DEPOSITS SHALL BE RETURNED TO PURCHASER AND SELLER WILL REIMBURSE PURCHASER FOR ITS OUT-OF-POCKET COSTS RELATING TO THIS TRANSACTION AND INCURRED AS OF THE DATE OF SELLER'S DEFAULT UP TO A MAXIMUM THE AMOUNT DEPOSITED OF \$5,000.00. PURCHASER AND SELLER HEREBY ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO FIX OR ESTABLISH THE ACTUAL DAMAGE SUSTAINED BY PURCHASER AS A RESULT OF SUCH MATERIAL DEFAULT BY SELLER AND AGREE THAT THE REMEDY SET FORTH IN CLAUSE (II) ABOVE IS A REASONABLE APPROXIMATION THEREOF.

ACCORDINGLY, IN THE EVENT THAT SELLER BREACHES THIS AGREEMENT BY MATERIALLY DEFAULTING IN THE COMPLETION OF THE SALE, AND PURCHASER ELECTS NOT TO EXERCISE THE REMEDY SET FORTH IN CLAUSE (I) ABOVE BUT INSTEAD ELECTS THE REMEDY SET FORTH IN CLAUSE (II) ABOVE, SUCH SUMS SHALL CONSTITUTE AND BE DEEMED TO BE THE AGREED AND LIQUIDATED DAMAGES OF PURCHASER WHICH IS NOT INTENDED TO BE A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO PURCHASER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. EXCEPT FOR ATTORNEYS' AND OTHER FEES RECOVERABLE PURSUANT TO SECTION 24 BELOW AND ITS RIGHTS TO BE INDEMNIFIED AS PROVIDED IN THIS AGREEMENT, PURCHASER AGREES TO AND DOES HEREBY WAIVE ALL OTHER REMEDIES AGAINST SELLER WHICH PURCHASER MIGHT OTHERWISE HAVE AT LAW OR IN EQUITY BY REASON OF SUCH DEFAULT BY SELLER.

SELLER'S INITIALS: _____ PURCHASER'S INITIALS: _____

12. Closing. Consummation of this sale and purchase ("Closing") shall take place within thirty (30) days following the expiration of the Contingency Period, as it may be extended by one or more Extend Contingency Periods, at which time Purchaser shall provide a written waiver to Seller ("Purchaser's Closing Notice") of all conditions to Purchaser's obligation to proceed to Closing, unless this PSA has been duly and timely terminated pursuant to the provisions of this PSA. Closing shall take place at the offices of the Escrow Holder and coordinated through their affiliate offices. As used herein, "Closing Date" means the date and time on which the Deed is recorded in the Official Records of the County. The Closing Date shall occur within five days of the Purchaser's Closing Notice waiving all contingencies.

12.1 Outside Closing Date. In no event shall the Closing occur later than one hundred eighty (180) days following the Opening of Escrow (the "Outside Closing Date"). Notwithstanding Section 29.6 or any other provision of this PSA, the Outside Closing Date shall not be subject to extension for force majeure delays.

13. Pre-Closing Covenants. Seller shall between the date hereof and the Closing Date, unless otherwise consented to in writing by Purchaser:

13.1 Maintain the Property in compliance with all applicable laws and in its present condition, reasonable wear and use excepted.

13.2 Not suffer or permit any new easements, encumbrances, liens or security interests to attach to the Property, or transfer or convey the Property or any portion or portions of the Property.

13.3 Not enter into or amend any contracts or agreements pertaining to the Property, which would survive the Closing and be binding upon Purchaser.

14. **Risk of Loss.**

14.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain with respect to the Property or any portion of the Property, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("Condemnation") and if such Condemnation would materially and adversely affect the use or operation of the Property, have the effect of decreasing the square footage of the buildable area at the Property, or reduce or eliminate access to the Property, then Purchaser may either (a) terminate this PSA, or (b) proceed with the Closing without modifying the terms of this PSA and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Purchaser will be entitled to keep, all awards for the Condemnation that accrue to Seller; provided, however, if any award is rendered specifically to compensate Seller for Seller's lost goodwill, such an award shall belong to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Purchaser's written consent. Seller must notify Purchaser of any notice of Condemnation of all or any portion of the Property within five (5) days after the receipt of such notice, and Purchaser must exercise its option(s) as provided in this Section within fifteen (15) days after receipt of such notice. If necessary, the Closing Date will be extended to give Purchaser the full 15-day period to make such election. Notwithstanding the foregoing, if any condemnation action is commenced prior to the Closing Date, Purchaser shall have the right to terminate this PSA and to receive the return of the Deposit, as well as a sum equal to Purchaser's out-of-pocket costs incurred in connection with this transaction.

14.2 Damage and Destruction. If before the Closing Date any damage or destruction of the Property, or any portion of it, occurs, then within three (3) days after determination of the amount of the Insurance Proceeds (defined below) to be received with respect to such loss, Purchaser must elect, by written notice to Seller, either to: (a) terminate this PSA (in which event the Deposit, and all accrued interest thereon, shall forthwith be returned to Purchaser and thereupon neither party shall have any further rights or obligations hereunder); or

(b) receive an assignment of the Insurance Proceeds with respect to such loss and proceed to Closing without any reduction in the Purchase Price (in which event the Closing shall occur within thirty (30) days after such election). If Purchaser shall fail to provide such written notice of election within ten (10) days after determination of the amount of the Insurance Proceeds to be received with respect to such loss, then Purchaser shall be deemed to have elected to terminate this PSA. As used herein, "Insurance Proceeds" means the proceeds from any and all insurance maintained by Seller with respect to the Property and/or to such loss, including without limitation fire and casualty and liability insurance.

15. Representations and Warranties of Seller. Seller represents and warrants to Purchaser that, to Seller's actual knowledge, except as set forth or otherwise disclosed in this PSA, or in any exhibit to this PSA, or in any schedule of exceptions attached to this PSA:

15.1 This PSA has been duly authorized and executed on behalf of Seller. As of the Opening of Escrow, this PSA constitutes a valid and binding agreement, enforceable in accordance with its terms. As of the Opening of Escrow, Seller has obtained all consents, releases and permissions and has given all required notifications related to the transaction herein contemplated and required under any covenant, agreement, encumbrance, law or regulation to which Seller is a party or by which Seller is bound.

15.2 Seller is the fee simple owner of the Property. Seller is not a party to any contract, agreement or commitment to sell, convey, assign, transfer or otherwise dispose of any portion or portions of the Property.

15.3 Seller has not received notice of violation of any applicable law, ordinance, regulation, order or requirement relating to Seller's operation or use of the Property.

15.4 To Seller's actual knowledge: (i) neither the Property nor any part thereof is in breach of any environmental laws; (ii) no part of the Property has ever been used as a landfill, dump, toxic waste disposal site or storage area; (iii) there are no underground storage tanks at the Property, or, with respect to removed tanks, at the time of removal, any contaminated soil was removed; and (iv) the Property is free of any Hazardous Materials that would trigger response or remedial action under any environmental laws or any existing common law theory based on nuisance or strict liability. This warranty is limited to matters of which Seller has actual knowledge, and Purchaser acknowledges that Seller has not made any affirmative investigation as to environmental issues affecting the Property in connection with this PSA. As used in this PSA, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable federal, state or local laws or regulations, including without limitation petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

15.5 There is no litigation pending or to the actual knowledge of Seller, threatened, against or by Seller or the Property which relates to, or if decided adversely, could have a material adverse effect upon, the Property (including condemnation or similar proceedings).

15.6 Except as disclosed in writing to Purchaser by Seller as part of the Materials, there are no leases, licenses or other occupancy or use agreements, written or oral, in effect in which Seller has granted any party rights to possession or use of the Property or any portion thereof, nor has Seller given any party an option or right of first refusal to purchase any portion of the Property.

15.7 Except as disclosed in writing to Purchaser by Seller as part of the Materials, the Property is not subject to any operating, maintenance or repair contract or other agreements that will bind the Property or Purchaser after the Closing ("Service Contracts").

15.8 Except as disclosed in the Materials, Seller has no actual knowledge of any violations of health, environmental or other applicable law, ordinance, code, order or regulation in any respect with regard to the Property.

15.9 Seller is not aware of any inaccuracy or incompleteness of any of the documents, materials or reports contained in the Materials.

15.10 To Seller's actual knowledge and except for matters of record as of the date hereof, there are no bonds or assessments or charges for any public improvements or utilities made against the Property which remain unpaid (or which will remain unpaid by Seller as of the Closing Date).

15.11 No representation, statement or warranty by Seller contained in this PSA or in any exhibit attached hereto contains or will contain any untrue statements or omits, or will omit, a material fact necessary to make the statement of fact therein recited not misleading. If, after Seller's execution hereof and prior to the Closing, any event occurs or condition exists of which Seller becomes aware which renders any of the representations contained herein untrue or misleading, Seller shall promptly notify Purchaser in writing.

All representations and warranties contained in this PSA shall be deemed remade as of the Closing Date, except in the event of a change in circumstances not within the control of Seller affecting any representations or warranties set forth herein, in which case Seller shall provide written notice to Purchaser regarding such changed circumstances within a reasonable time following such change (not to exceed five (5) Business Days following the date the City Manager/City Clerk obtains actual knowledge of the changed circumstance), and prior to the Closing. As used herein, "actual knowledge" of Seller refers to the actual knowledge of Seller's employees and agents directly involved in the negotiation and/or drafting of this PSA, those responsible for the acquisition or maintenance of the Property, the City's Legal Counsel and the City Clerk.

16. **Assignment.** This PSA shall not be assigned by any party hereto to any person or entity without the express written consent of Seller. In the event of an assignment of Purchaser's interests under this PSA, the assignee shall agree in writing to assume and be bound by the terms

and provisions hereof, in which event any assignment will not release Purchaser from any of its obligations hereunder, until the Closing at which point Purchaser's assignee shall be responsible for all obligations of Purchaser hereunder.

17. **Business Days.** As used herein, the term "Business Days" refers to Monday through Friday, excluding holidays on which the City of Parlier or Seller are closed for business.

18. **Binding Effect.** The covenants herein shall bind and inure to the benefit of the executors, administrators, successors and assigns of the respective parties.

19. **Brokers.** Purchaser and Seller each represents and warrants to the other that it has not engaged the services of any real estate broker, salesperson, agent or finder, nor done any other act nor made any statement, promise or undertaking, which would result in the imposition of liability for the payment of any real estate brokerage commission, finder's fee or otherwise in connection with the transaction described in this PSA. In the event that any person or entity perfects a claim for a brokerage commission, finder's fee or otherwise, based upon any agreement, statement or act, the Party through whom such person or entity makes such a claim shall be responsible therefor and shall defend, indemnify and hold the other Party and the property harmless from and against such claim and all loss, costs and expense associated therewith, including attorneys' fees.

20. **Integration; Merger; Amendment; Survival of Representations.** Seller and Purchaser have not made any covenants, warranties or representations not set forth in this PSA. This PSA constitutes the entire Agreement between the parties. Except as otherwise provided herein, all representations, warranties and covenants set forth in this PSA shall survive closing. This instrument shall as to all prior drafts or forms exchanged between the parties or executed by the parties, be the sole effective instrument between them as to the provisions set forth in this PSA. None of the terms and provisions hereof shall be altered or amended unless in writing and signed by the parties.

21. **Execution in Counterparts and by Fax/Email.** This document may be validly executed and delivered by facsimile transfer/e-mail and/or portable document format (collectively, "Electronic Copy"). Any signer who executes this document and transmits this document by Electronic Copy intends that the Electronic Copy of their signature is to be deemed an original signature for all purposes. Any such Electronic Copy printout and any complete photocopy of such Electronic Copy printout are hereby deemed to be an original counterpart of this document. This PSA may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

22. **Notices.** All notices shall be in writing and delivered personally, by overnight air courier service, by facsimile transmission or email, or by U.S. certified or registered mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, one (1) Business Day after depositing with an overnight air courier, or five (5) Business Days after depositing in the mail immediately, upon transmission (as confirmed by electronic confirmation of transmission generated by the sender's machine) for any notice given by facsimile or email:

If to Seller: City of Parlier
1100 E. Parlier Ave.
Parlier, CA 93648
Attn: Israel Lara, Jr., City Manager
Phone: (559) 646-0416
Email: ILara@parlier.ca.us

with a copy to: Lozano Smith LLP
7404 North Spalding
Fresno, CA 93720-3370
Attn: Jenell Van Bindsbergen, Legal Counsel
Email: jbindsbergen@lozanosmith.com

If to Purchaser: Carlos Garcia
[address]
[city], [state] [zip]
Phone: (559) 397-4777
Email: havendan04@gmail.com

23. **Governing Law.** This PSA shall be construed according to the laws of the State of California.

24. **Expenses.** Seller and Purchaser shall pay their respective expenses and costs in connection with the preparation of this PSA and other agreements and documents related to this PSA and the transactions contemplated herein.

25. **Severability.** If any term of this PSA is held by a court of competent jurisdiction to be invalid or unenforceable, then this PSA, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

26. **Construction.** In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this PSA, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this PSA. Headings used in this PSA are provided for convenience only and shall not be used to construe meaning or intent. As used in this PSA, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates

27. **Qualification; Authority.** Each individual executing this PSA on behalf of a party which is an entity, represents, warrants and covenants to the other party that (a) such person is duly authorized to execute and deliver this PSA on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (b) such entity is bound under the terms of this PSA.

28. **Counterparts.** This PSA may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile or e-mailed PDF copy of such execution shall be deemed an original.

29. **Miscellaneous.**

29.1 Execution of Documents. The parties agree to execute such instructions to Title Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this PSA.

29.2 Inducement. The making, execution and delivery of this PSA by the parties hereto have been induced by no representations, statements, warranties or agreements other than those expressly set forth herein.

29.3 Incorporation of Exhibits. The exhibits attached hereto are incorporated herein by reference.

29.4 Relationship of Parties. Notwithstanding anything to the contrary contained herein, this PSA shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Purchaser with respect to the Property to be conveyed as contemplated hereby.

29.5 Limitation of Liability. The parties agree that neither the holders of beneficial interests nor the trustees, officers, members, employees or agents of either party or any assignee or affiliate of either party shall be personally liable under the PSA and all parties hereto shall look solely to the assets of the entity, for the payment of any claim or the performance of any obligation of either under this PSA.

29.6 Force Majeure. If either Party is delayed or prevented from performing any act required in this PSA by reason of any event beyond the reasonable control of either Party, including without limitation, by labor disputes, fire, unusual delay in deliveries, weather or acts of God, terrorism, delay in the issuance of permits or approvals, acts of governmental entities, unavoidable casualties or any other such causes beyond such Party's control, then the time herein fixed for completion of such obligation(s) shall be extended by the number of days that such Party has been delayed.

30. **1031 Exchange.** Both Seller and Purchaser agree to reasonably cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange.

31. **Independent Review.** The Parties have had the opportunity to obtain, and have obtained, independent legal or other professional advice with regard to this PSA. The Parties acknowledge that the terms of this PSA have been read and fully explained and that those terms are fully understood and voluntarily accepted.

32. **Voluntary Agreement.** The Seller and Purchaser represent that they have read this PSA in full and understand and voluntarily agree to all of its provisions. Both the Seller and Purchaser further declare that, prior to signing this PSA, they availed themselves of relevant data, through sources of their own selection, including a legal representative, in deciding whether to execute this PSA.

33. **Entire Agreement.** This PSA constitutes the final agreement between the Parties. It is the complete and exclusive expression of the Parties' agreement on the matters contained in this PSA. All prior and contemporaneous negotiations and agreements between the Parties on the matters contained in this PSA are expressly merged into and superseded by this PSA. In entering into this PSA, neither Party has relied upon any statement, representation, warranty, or agreement of the other Party except for those expressly contained in this PSA. There are no conditions precedent to the effectiveness of this PSA other than those expressly stated in this PSA.

34. **Amendments.** This PSA may not be amended or modified except in writing signed by each of the Parties to the PSA.

35. **Third Parties.** This PSA does not and is not intended to confer any rights or remedies upon any party other than the Parties.

36. **Interpretation.** This PSA shall be construed as to its fair meaning and not strictly for or against either Party. The headings hereof are descriptive only and not to be construed in interpreting the provisions hereof.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have executed this PSA on the date and year first-above written.

SELLER:

CITY OF PARLIER,
a California municipal corporation, as Successor
Agency to the Redevelopment Agency of the City
of Parlier

Israel Lara, Jr., City Manager

ATTEST:

Dorothy Garza, City Clerk

PURCHASER:

Carlos Garcia, an Individual

By: _____
Carlos Garcia

EXHIBIT A

DESCRIPTION OF PROPERTY

The Property referred to herein is that certain real property located in the City of Parlier, County of Fresno, State of California, and is described as follows:

PARCEL 11, AS SHOWN ON PARCEL MAP NO. 04-03, FILED IN BOOK 64 OF PARCEL MAPS AT PAGES 40 AND 41, FRESNO COUNTY RECORDS, LYING IN THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 15 SOUTH, RANGE 22 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL UNITED STATES GOVERNMENT TOWNSHIP PLATS, IN THE CITY OF PARLIER, COUNTY OF FRESNO, STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA.

APN: 358-390-41

EXHIBIT B

Deed

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City Clerk
City of Parlier
1100 E. Parlier Ave.
Parlier, CA 93648

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF PARLIER, a California municipal corporation as Successor Agency to the Redevelopment Agency of the City of Parlier ("Grantor"), hereby grants to Carlos Garcia, an Individual, ("Grantee"), all of its respective rights, title, and interest in the real property hereinafter referred to as the "Property" in the City of Parlier, County of Fresno, State of California, as more particularly described in Attachment 1 attached hereto and incorporated herein by this reference.

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

SELLER:

CITY OF PARLIER,
a California municipal corporation, as Successor
Agency to the Redevelopment Agency of the City
of Parlier

Israel Lara, Jr., City Manager

Attachment 1 to Grant Deed

Legal Description of the Property

The Property referred to herein is that certain real property located in the City of Parlier, County of Fresno, State of California, and is described as follows:

PARCEL 11, AS SHOWN ON PARCEL MAP NO. 04-03, FILED IN BOOK 64 OF PARCEL MAPS AT PAGES 40 AND 41, FRESNO COUNTY RECORDS, LYING IN THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 15 SOUTH, RANGE 22 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL UNITED STATES GOVERNMENT TOWNSHIP PLATS, IN THE CITY OF PARLIER, COUNTY OF FRESNO, STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA.

APN: 358-390-41

EXHIBIT C

SCHEDULE OF PERFORMANCE

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
1.	Purchaser executes and delivers Purchase and Sale Agreement ("Agreement") to Seller		
2.	Seller accepts and executes Agreement	Within 3 days of Oversight Board Approval	2
3.	Open Escrow	Within 3 days after execution of Agreement by Seller	3
4.	Seller delivers to Purchaser Preliminary Title Report	Within 5 days after Seller execution of Agreement	6
5.	Purchaser provides Seller with written verification of sufficient funds.	Within 5 days of the execution of Agreement	8.1
6.	Purchaser approves or disapproves title exceptions	Within 15 days after delivery to Purchaser of Preliminary Title Report, all documents listed in the Preliminary Title Report	6
7.	Seller delivers notice to Purchaser as to whether it will cure disapproved exceptions	Within 10 days after receipt of Purchaser's notice	6
8.	Seller delivers to Purchaser all relevant reports, plans, documents and other materials	Within 10 days of the Opening of Escrow	9.1
9.	Purchaser approves or disapproves the environmental and physical condition of the Property, waives condition, or extends contingency period.	Within 120 days after Opening of Escrow	9

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
10.	Escrow Agent gives notice of fees, charges, and costs to close escrow	No later than one (1) week prior to Closing	
11.	Deposits into escrow by Seller:		
	a) Executed Deed	On or before 1:00 p.m. on the business day preceding the Closing Date	5.1.1
	b) Payment of Seller's Share of Escrow Costs	On or before 1:00 p.m. on the business day preceding the Closing Date	5.1.5; 10
	c) Executed settlement closing statement	On or before 1:00 p.m. on the business day preceding the Closing Date	5.1.3
	d) Any additional Closing Documents	On or before 1:00 p.m. on the business day preceding the Closing Date	5.1.4
	e) Taxpayer ID Certificate	On or before 1:00 p.m. on the business day preceding the Closing Date	5.1.2
	f) FIRPTA Certificate	On or before 1:00 p.m. on the business day preceding the Closing Date	5.1.2
12.	Deposits into escrow by Purchaser:		
	a) The Purchase Price required by Section 4.2	On or before 1:00 p.m. on the business day preceding the Closing Date	5.2.1; 4.2
	b) Payment of Purchaser's Share of Escrow Costs	On or before 1:00 p.m. on the business day preceding the Closing Date	5.3; 10

	<u>Item To Be Performed</u>	<u>Time For Performance</u>	<u>Agreement Reference</u>
	c) Preliminary Change of Ownership Statement	On or before 1:00 p.m. on the business day preceding the Closing Date	5.2.2
13.	Close of escrow; recordation and delivery of documents	Within 30 days after Expiration of Contingency Period or 5 days after receipt of the of the Purchaser's Closing Notice	12

It is understood that the foregoing Schedule of Performance is subject to all of the terms and conditions set forth in the text of the PSA. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the PSA, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Purchaser and Seller. A failure by either party to enforce a breach of any particular time provision shall not be construed as a waiver of any other time provision.

