

RED File No.: 17-05-001
OWNER: Revocable Living Trust of Esther
A. Posey
APN: 204-0202-007
Project: SRPD - Possible Purchase of Hm,
Antelope Rd

**SALES AND PURCHASE AGREEMENT
BETWEEN
ESTHER A. POSEY AS TRUSTOR AND TRUSTEE OF THE
REVOCABLE LIVING TRUST OF ESTHER A. POSEY
AND
SUNRISE RECREATION AND PARK DISTRICT**

THIS Sales and Purchase Agreement, (hereinafter referred to as “**Agreement**”), dated for convenience as of the _____ day of _____, 2018, (hereinafter referred to as “**Agreement Date**”), is made by and between **Esther A. Posey as Trustor and Trustee of the Revocable Living Trust of Esther A. Posey**, (hereinafter referred to as “**GRANTOR**”), and the **SUNRISE RECREATION AND PARK DISTRICT**, a park district existing under authority of Public Resources Code § 5780 et seq., (hereinafter referred to as “**DISTRICT**”), in consideration of the mutual covenants and agreements herein contained, and is subject to the conditions set forth below, and is made with reference to the following facts:

RECITALS

A. GRANTOR is the owner of that certain real property commonly known as 7429 Antelope Road, Citrus Heights, CA 95621, APN: 204-0202-007 which is located in the County of Sacramento, consisting of approximately 14,017 gross square feet, together with all improvements and fixtures and personal property thereon, and all rights, hereditaments, easements, appurtenances thereto belonging, all of which is more particularly described in the attached Exhibit “A”, (hereinafter referred to as “Property”).

B. DISTRICT desires to purchase from GRANTOR and GRANTOR desires to sell to DISTRICT the Property pursuant to the provisions of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties hereto agree as follows:

1. INCORPORATION OF RECITALS.

The foregoing recitals are true and correct and are hereby incorporated by reference.

2. PURCHASE AND SALE.

GRANTOR hereby agrees to sell and convey and DISTRICT hereby agrees to purchase, through escrow, and for the purchase price, and upon the terms and conditions herein stated, the Property described above.

3. PURCHASE PRICE.

The purchase price for the Property shall be TWO HUNDRED NINETY THOUSAND, AND NO/100 DOLLARS (\$290,000.00), (hereinafter referred to as the "Purchase Price"), payable in immediately available funds as hereinafter instructed at Close of Escrow (as hereinafter defined). On or before Close of Escrow (as hereinafter defined), DISTRICT shall deposit with Escrow Holder, the Purchase Price plus Escrow Holder's estimate of DISTRICT'S share of closing costs as described herein below.

4. ESCROW INSTRUCTIONS.

A fully executed copy of this Agreement shall be deposited with Fidelity National Title Company, at 1375 Exposition Blvd, Suite 240, Sacramento, CA 95815, (hereinafter referred to as "Escrow Holder"), and such delivery shall constitute the opening of an escrow under Escrow Holder's file number 01001907-010-PA-CDT with respect to the sale of the Property pursuant to this Agreement. Escrow Holder shall be concerned only with the provisions of this Paragraph 4. Said escrow shall be on the following terms and conditions:

- a. **Payment of the Purchase Price.** Prior to closing, DISTRICT shall cause the Purchase Price to be deposited in escrow.
- b. **Title.** GRANTOR shall execute and deliver to Escrow Holder a Grant Deed, in a form supplied by DISTRICT, conveying title to the Property to DISTRICT. When all of the conditions to closing herein contained have been either satisfied or waived by the parties and so confirmed in writing, and escrow is ready to close, Escrow Holder shall cause the Grant Deed to be recorded and evidence of the DISTRICT'S acceptance thereof executed by a duly authorized representative of the DISTRICT. Escrow Holder shall also deliver to DISTRICT a CLTA Owner's Policy of Title Insurance, in an amount equal to the Purchase Price, with endorsements reasonably requested by DISTRICT, showing title to the Property vested in DISTRICT, subject only to those exceptions numbered 6, 7, 11 & 12, and deleting items numbered 1, 2, 3, 4, 5, 8, 9 and 10 as shown on that Preliminary Title Report, (hereinafter referred to as "Title Report"), Order No. 01001907-010-PA-CDT, dated September 12, 2017, issued by Fidelity National Title Company.
- c. **Pro-rations.** Escrow Holder is hereby instructed to segregate and pro-rate real estate taxes, assessments and similar charges and segregate and pro-rate bonded indebtedness as of the Close of Escrow, as herein defined. Segregation and pro-rations of real estate taxes, assessments and similar charges shall be done based upon the most currently available information at the Close of Escrow. GRANTOR shall be responsible for applying for any refund due for property taxes prepaid beyond Close of Escrow.
- d. **Payment of Monies on Deposit in Escrow.** Escrow Holder may expend any or all monies payable under this Agreement to discharge any obligations, except those shown in Paragraph 3.b above, which are liens upon the Property, including, but not limited to, those arising from judgments, assessments, delinquent taxes, or debts secured by deeds of trust or mortgages, and/or to defray any other incidental costs to be borne by DISTRICT herein. Any monies payable pursuant to a deed of trust shall be made payable to the beneficiary entitled thereunder; said beneficiary to furnish Escrow Holder with good and sufficient receipt showing said monies credited against the indebtedness secured by said deed of trust.
- e. **Costs of Escrow and Fees.** The cost of any escrow fees, the charge for preparation of

escrow documents, recording costs, if any, the CLTA Policy of Title Insurance as described above, and all other costs of escrow and closing are to be paid by DISTRICT. DISTRICT is exempt from the payment of recording fees and transfer taxes.

- f. **Close of Escrow.** Upon the satisfaction or waiver of all conditions hereto, GRANTOR and DISTRICT instruct Escrow Holder to close escrow, (hereinafter referred to as “Close of Escrow”), as soon as practicable once this Agreement has been executed by all parties, and when instructed to do so by DISTRICT. Both GRANTOR and DISTRICT agree that time is of the essence in this matter and agree to take whatever steps are necessary to ensure that all conditions of this escrow are satisfied in a timely manner.
- g. **Failure to Close Escrow.** Notwithstanding the foregoing, if escrow does not close as herein provided, or any extension thereof in writing, this escrow shall terminate, Escrow Holder shall return all documents, things, and refundable monies deposited in escrow, to the respective parties, less Escrow Holder’s fees and costs, and the parties shall release each other from any claims arising under the terms of this Agreement, except those terms expressly stated to survive such termination.
- h. **Conditions Precedent.** The Close of Escrow is expressly conditioned upon the occurrence of the following events:
- (i) **To DISTRICT'S Obligation.** The following shall be conditions precedent to DISTRICT’S obligation to acquire the Property:
- (a) Escrow Holder is ready to issue, as of the Close of Escrow, the title policy required by Paragraph 4.b, hereof, showing title subject only to those exceptions herein authorized.
- (b) GRANTOR'S compliance with each of GRANTOR'S agreements herein, and the accuracy in all material respects of each of GRANTOR'S representations and warranties as of the Close of Escrow.
- (c) No administrative or judicial proceeding shall have commenced as of the Close of Escrow seeking to prevent or restrain the consummation of the transaction contemplated by this Agreement, or which would materially and adversely affect the Property or its use.
- (d) Subject to GRANTOR’s completion of those repairs identified in Paragraph 7, DISTRICT'S determination that the physical and environmental condition (including the results of a Phase 1 and/or Phase II environmental review) of the Property, is suitable for the DISTRICT'S intended use.
- (e) Approval of this Agreement and terms hereof by DISTRICT’S Board of Directors and execution of the Agreement by a duly authorized representative of the DISTRICT.
- (f) GRANTOR agrees that any and all existing leases to which the Property may be subject shall be terminated prior to the Close of Escrow. If any such lease

is not terminated or removed, then in that event, DISTRICT shall have the right to terminate this Agreement.

- (g) GRANTOR has provided to DISTRICT all required statutory disclosures and any other disclosures required by law pertaining to the transfer of residential property.
- (ii) To **GRANTOR'S Obligation**. The following shall be conditions precedent to the GRANTOR's obligation to convey the Property at Close of Escrow.
 - (a) DISTRICT'S compliance with each of its agreements herein stated, and the accuracy in all material respects of each of its representations and warranties as of the Close of Escrow.
 - (b) GRANTOR's completion of those repairs identified in Paragraph 7 acknowledges and agrees to address any necessary repairs to the Property resulting from an inspection of its physical and environmental conditions of the Property up to \$5,000.00 at the GRANTOR's sole cost and expense.
- h. **Commission**. There is no real estate, finder's or other commission due or payable by reason of this transaction that the DISTRICT shall be responsible for. GRANTOR shall indemnify the DISTRICT for any actions which may cause the DISTRICT to be liable for a real estate brokerage or sales commission arising here from.
- i. **Standard Escrow Instructions**. For those escrow matters not specifically addressed herein, Escrow Holder's standard escrow instructions entitled "General Provisions," a copy of which is attached hereto as Exhibit "B," shall be applicable. Where there is a conflict between the provisions of this Agreement and the provisions of Escrow Holder's standard escrow instructions, the provisions of this Agreement shall control.

5. REPRESENTATIONS, WARRANTIES AND COVENANTS OF GRANTOR.

- a. GRANTOR warrants that they are the owner(s) in fee simple of the Property and that they have the exclusive right to sign this Agreement and convey the Property.
- b. To the best of GRANTOR'S knowledge and belief, GRANTOR represents, warrants and covenants to DISTRICT that the following are true as of the Agreement Date and shall be true as of the Close of Escrow:
 - (i) GRANTOR has not received notice of any material violation of any federal, state, DISTRICT or other governmental or quasi-governmental statute, ordinance, regulation or administrative or judicial order with respect to the Property.
 - (ii) There is no action, suit or proceeding, which is pending or threatened against the Property or any portion thereof relating to or arising out of the ownership or use of the Property, in any court or before or by any federal, state, county or municipal department, commission, board, bureau, agency or other governmental

instrumentality.

(iii) Except for such matters of record as may be disclosed in the Title Report, or any amendment thereto issued prior to Close of Escrow, (i) there are no leases, licenses, prescriptive easements or other third party rights to use or occupy any portion of the Property; (ii) there are no adverse parties in possession of any portion of the Property; and (iii) there are no rights to purchase the Property or any portion thereof prior to those set forth herein which are held or claimed by any third party; or if there are any of the foregoing interests, rights or claims, GRANTOR has disclosed any and all of them, and shall provide to DISTRICT copies of any written agreements and other documents evidencing such matters.

(iv) As of the Close of Escrow, there shall be no unpaid bills or claims by GRANTOR in connection with any work on the Property.

(v) During the period of GRANTOR'S ownership of the Property, there has been no litigation or governmental administrative action or proceeding maintained or threatened against GRANTOR, nor any settlements reached by Grantor with any party or parties, alleging the presence, disposal, release or threatened release of any hazardous waste or hazardous substance on, from or under the Property. The Property is not subject to any "Superfund" or similar lien, or any claim by any government regulatory agency or third party related to the release or threatened release of any toxic or hazardous substance, material or waste.

(vi) Any storage or septic tanks located on the Property, have been disclosed to DISTRICT, and have been properly registered with all appropriate environmental authorities, and are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release of any hazardous or toxic substance, material or waste to the environment.

(vii) Notwithstanding anything in the Agreement to the contrary, in the event either party becomes aware, between the Agreement Date and the Close of Escrow, of any substantive matter which would make any of GRANTOR'S representations or warranties untrue, the parties shall have the right, within fifteen (15) days following their discovery of such matter or their receipt of notice of such matter, as appropriate, (i) to proceed to close this transaction with a mutually-acceptable indemnity from GRANTOR or DISTRICT, as applicable, as to any liability arising out of the matter discovered, or (ii) to treat such matter as a failure of a condition and terminate this Agreement.

(viii) There are no leases or other tenancy affecting the Property requiring termination prior to the satisfaction of any condition to this Agreement.

6. RISK OF LOSS.

In the event that any loss or damage to the Property, which materially and adversely affects the DISTRICT'S intended use of the Property or the value of the Property, occurs prior to closing, DISTRICT may, without liability hereunder, terminate this Agreement or it alternatively may elect to accept the conveyance of title to such Property, or in its discretion, a portion thereof, in which case there shall be an equitable adjustment

of the Purchase Price based on the change in circumstance.

7. ENVIRONMENTAL INSPECTION; GRANTOR'S COOPERATION.

For a period of thirty (30) days following the execution of this Agreement, DISTRICT, its employees, agents and contractors shall have the right to enter upon the Property at reasonable times to perform such inspection of its physical and environmental conditions (which may include, but shall not be limited to, obtaining soil and water samples on and beneath the surface of the Property, and conducting analyses of such samples) as it deems necessary, and for any other reasonable purposes related to this transaction. Insofar as it lawfully may, DISTRICT hereby agrees to defend, protect, indemnify and hold GRANTOR harmless from any and all liens imposed against the Property and from all claims, demands, liabilities and costs, including reasonable attorney's fees, arising out of any injury to the Property or to any person caused directly by DISTRICT's activities on the Property. In the event that the closing does not occur for any reason, DISTRICT shall: restore the Property to the condition it was in prior to DISTRICT'S entry, and deliver to GRANTOR upon demand all reports prepared by or for DISTRICT concerning the Property's physical condition. In the event of any adverse environmental report, DISTRICT may, without liability, refuse to accept the conveyance of title, or alternatively DISTRICT may elect to accept conveyance of title to such Property or a portion thereof, subject to: **i) GRANTOR performing those repairs identified in the reports with said repairs not exceeding \$5,000;** or **ii) an equitable adjustment of the purchase price based on the change in circumstance.**

8. PRESERVATION OF PROPERTY.

GRANTOR agrees that the Property herein described shall remain as it now is until closing, and that GRANTOR will prevent and refrain from any use of the Property for any purpose or in any manner which would adversely affect the value of the Property. Except as otherwise provided in paragraph 3.b above, GRANTOR shall not transfer, lease or encumber any interest in the Property prior to the Close of Escrow. In the event of any of the forgoing actions, the DISTRICT may, without liability, refuse to accept the conveyance of title, or alternatively may elect to accept conveyance of title to the property or, in its discretion, a portion thereof, in which case there shall be an equitable adjustment of the Purchase Price based on the change in circumstance.

9. POSSESSION.

Unless otherwise agreed to in a writing signed by the parties, GRANTOR will deliver possession of the Property to DISTRICT at the Close of Escrow. Title to the Property shall pass immediately upon Close of Escrow.

10. OWNER'S INDEMNIFICATION.

Owner covenants and agrees to indemnify and hold the DISTRICT harmless from any and all claims that third parties may make or assert with respect to the title to the premises and any improvements.

11. OPTION TO EXTEND TEMPORARY CONSTRUCTION EASEMENT: *Intentionally Omitted*

12. BINDING.

The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

13. TIME.

Time is of the essence of this Agreement and the obligations of the parties to perform hereunder.

14. GRANTOR'S CERTIFICATION REGARDING NON-FOREIGN STATUS.

GRANTOR understands that Sections 7701 and 1445 of the Internal Revenue Code, as amended, provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To inform DISTRICT and Escrow Holder that withholding of tax is not required upon the disposition by GRANTOR of the Property pursuant to this Agreement, GRANTOR hereby certifies the following and understands that this certification may be disclosed to the Internal Revenue Service by DISTRICT:

- a. GRANTOR is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulation).
- b. GRANTOR'S Social Security Number, United States Employer Identification Number or Tax ID shall be provided directly to Escrow Officer.
- c. GRANTOR'S address is: 112 Glenwood Circle - Roseville, CA 95678.

Additionally, GRANTOR shall provide evidence satisfactory to DISTRICT and Escrow Holder that GRANTOR is exempt from withholding provisions of the California Revenue and Taxation Code, as amended, and that neither DISTRICT nor Escrow Holder is required to withhold any amounts from the Purchase Price pursuant to such provisions.

15. AS IS TRANSFER. *Intentionally Omitted*

16. POWER OF EMINENT DOMAIN. *Intentionally Omitted*

17. NOTICE

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return requested, or sent by electronic facsimile and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if mailed, on the date of posting by the United States Post Office, or (iii) if given by electronic facsimile, when received by the other party.

TO GRANTOR: Jennifer Thomas
112 Glenwood Circle
Roseville, CA 95678
Telephone: (916)_916-390-2311
Facsimile: N/A

TO DISTRICT: Sunrise Recreation and Park District
7801 Auburn Blvd.
Citrus Heights, CA 95610
Telephone: (916)725-1585
Facsimile: (916) 725-2541

TO ESCROW HOLDER: Fidelity National Title Company
1375 Exposition Blvd. Suite 240,
Sacramento, CA 95815

Telephone: (916) 646-6018
Facsimile: (916) 646-6043

Notice of change of address shall be given by written notice in the manner described in this paragraph.

18. MISCELLANEOUS.

- a. **Partial Invalidity.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, or is found to be prohibited by law, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable or prohibited, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- b. **Waivers.** No waiver of any breach of any covenant or provision hereof shall be deemed a waiver of any preceding or succeeding breach hereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act except those of the waiving party, which shall be extended by a period of time equal to the period of delay.
- c. **Entire Agreement.** This Agreement (including all exhibits attached hereto) is the final expression of, and contains the entire agreement between the parties with respect to the subject matter hereof and supercedes all prior understanding with respect thereto. This Agreement may not be modified, changed, supplemented, superseded, canceled or terminated, nor may any obligations hereunder be waived, except by written instrument signed by the party to be charged or by its agent duly authorized in writing or as otherwise expressly permitted herein. The parties do not intend to confer any benefit hereunder on any person, firm or corporation other than the parties hereto and lawful assignees.
- d. **Authority of Signators.** Each party to this Agreement warrants to the other that it is duly organized and existing and each signatory hereto represents to the other party that it has full right and authority to enter into and consummate this Agreement and all related documents.
- e. **Survival of Representations.** Notwithstanding any provisions of this Agreement, the covenants, representations, warranties, hold harmless and indemnification obligations made by each party herein shall survive (1) the Close of Escrow and shall not merge into the Grant Deed and the recordation thereof, and (2) the termination and/or cancellation of this Agreement.
- f. **Additional Documents.** GRANTOR agrees to execute such other documents and instruments as may be reasonably requested by DISTRICT or Escrow Holder.
- g. **Professional Fees.** In the event of the bringing of any action or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions arising out of this Agreement, then in that event the prevailing party shall be entitled to have and recover of and from the other party all costs and expenses of the action or suit, including reasonable attorneys' fees, accounting and engineering fees, and any other professional fees resulting therefrom.

- h. **Governing Law.** This Agreement shall be governed by the laws of the State of California.
- i. **Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the permitted successors and assigns or the parties hereto.
- j. **Time of Essence.** GRANTOR and DISTRICT hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation and provision hereof and that failure to timely perform any of the terms, conditions, obligations or provisions hereof by either party shall constitute a material breach of and non-curable (but waivable) default under this Agreement by the party so failing to perform.
- k. **Relationship of Parties.** Nothing contained in this Agreement shall be deemed or construed by the parties to create the relationship of principal and agent, a partnership, joint venture or any other association between DISTRICT and GRANTOR.
- l. **Construction.** Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the parties and are not a part of the Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. It is agreed and acknowledged by the parties hereto that the provisions of this Agreement have been arrived at through negotiation, and that each of the parties has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement. All exhibits referred to in this Agreement are attached and incorporated by this reference.
- m. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, by all of which, together, shall constitute one and the same instrument.

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This Agreement shall bind the respective heirs, personal representatives, successors, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed the Agreement the day and year first above written.

DISTRICT:

SUNRISE RECREATION AND PARK DISTRICT a park district existing under authority of Public Resources Code § 5780 et seq.

GRANTOR: Esther A. Posey as Trustor and Trustee of the Revocable Living Trust of Esther A. Posey

Date: _____

Date: _____

By: _____

By: _____

Jeff Gasaway, Deputy Director as designee of Michael M. Morse, Director Department of General Services

Printed Name:

Jennifer Thomas

Reso No: _____
Dated: _____

Title:

Successor Trustee of The Revocable Living Trust of Esther A. Posey

Address: 112 Glenwood Circle
Roseville, CA 95678

Telephone: (916) 916-390-2311

Email: _____

Reviewed and Approved by County Counsel:

Approved As To Terms:

David Mitchell - District Administrator
Sunrise Recreation and Park District

Deputy County Counsel
County of Sacramento

Exhibit A
Legal Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF CITRUS HEIGHTS, IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF THE EAST ONE-HALF OF THE SOUTHWEST ONE-QUARTER OF SECTION 23, TOWNSHIP 10 NORTH, RANGE 6 EAST, M. D. B. & M., DESCRIBED AS FOLLOWS:

BEGINNING AT A 1-1/4 INCH IRON PIPE MONUMENT WITH BRASS TAG STAMPED L.S.-2117 IN THE NORTH LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 23, LOCATED SOUTH 89 DEGREES 22 MINUTES 50 SECONDS WEST 706.09 FEET FROM THE INTERSECTION OF THE QUARTER SECTION LINE AND THE WEST LINE OF THE STATE HIGHWAY, AS DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, DATED JULY 27, 1932, RECORDED SEPTEMBER 6, 1932, IN BOOK 408 OF OFFICIAL RECORDS OF SACRAMENTO COUNTY, AT PAGE 98, FROM SAID INTERSECTION THE SOUTHEAST CORNER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 23 BEARS SOUTH 00 DEGREES 45 MINUTES WEST 677.66 FEET; SOUTH 01 DEGREES 02 MINUTES EAST 1978.00 FEET AND NORTH 89 DEGREES 21 MINUTES 30 SECONDS WEST 31.00 FEET; THENCE FROM SAID POINT OF BEGINNING SOUTH 89 DEGREES 22 MINUTES 50 SECONDS WEST 166.00 FEET ALONG THE NORTH LINE OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 23 AS TO A SIMILAR MONUMENT; THENCE SOUTH 00 DEGREES 37 MINUTES 10 SECONDS EAST 89.76 FEET TO A SIMILAR MONUMENT IN THE NORTHEASTERLY LINE OF ANTELOPE ROAD; THENCE SOUTH 70 DEGREES 45 MINUTES 07 SECONDS EAST 131.91 FEET ALONG SAID LINE TO A SIMILAR MONUMENT; THENCE NORTH 16 DEGREES 14 MINUTES 25 SECONDS EAST 140.09 FEET TO THE POINT OF BEGINNING.

APN: 204-0202-007, CA 81245477

EXHIBIT "B"



Fidelity National Title Company

1375 Exposition Blvd., Suite 240 Sacramento, CA 95815
916 646-6018 • FAX 916 646-6043

GENERAL PROVISIONS

1. DEPOSIT OF FUNDS

The law dealing with the disbursement of funds requires that all funds be available for withdrawal as a matter of right by the title entity's escrow and/or sub escrow account prior to disbursement of any funds. Only wire-transferred funds can be given immediate availability upon deposit. Cashier's checks, teller's checks and Certified checks may be available one business day after deposit. All other funds such as personal, corporate or partnership checks and drafts are subject to mandatory holding periods which may cause material delays in disbursement of funds in this escrow. In order to avoid delays, all fundings should be wire transferred. Outgoing wire transfers will not be authorized until confirmation of the respective incoming wire transfer or of availability of deposited checks.

Deposit of funds into general escrow trust account unless instructed otherwise. You may instruct Escrow Holder to deposit your funds into an interest bearing account by signing and returning the "Escrow Instructions - Interest Bearing Account", which has been provided to you. If you do not so instruct us, then all funds received in this escrow shall be deposited with other escrow funds in one or more general escrow trust accounts, which include both non-interest bearing demand accounts and other depository accounts of Escrow Holder, in any state or national bank or savings and loan association insured by the Federal Deposit Insurance Corporation (the "depository institutions") and may be transferred to any other such escrow trust accounts of Escrow Holder or one of its affiliates, either within or outside the State of California. A general escrow trust account is restricted and protected against claims by third parties and creditors of Escrow Holder and its affiliates.

Receipt of benefits by Escrow Holder and affiliates. The parties to this escrow acknowledge that the maintenance of such general escrow trust accounts with some depository institutions may result in Escrow Holder or its affiliates being provided with an array of bank services, accommodations or other benefits by the depository institution. Some or all of these benefits may be considered interest due you under California Insurance Code Section 12413.5. Escrow Holder or its affiliates also may elect to enter into other business transactions with or obtain loans for investment or other purposes from the depository institution. All such services, accommodations, and other benefits shall accrue to Escrow Holder or its affiliates and Escrow Holder shall have no obligation to account to the parties to this escrow for the value of such services, accommodations, interest or other benefits.

Said funds will not earn interest unless the instructions otherwise specifically state that funds shall be deposited in an interest-bearing account. All disbursements shall be made by check of **Fidelity National Title Company**. The principals to this escrow are hereby notified that the funds deposited herein are insured only to the limit provided by the Federal Deposit Insurance Corporation. Any instruction for bank wire will provide reasonable time or notice for Escrow Holder's compliance

with such instruction. Escrow Holder's sole duty and responsibility shall be to place said wire transfer instructions with its wiring bank upon confirmation of (1) satisfaction of conditions precedent or (2) document recordation at close of escrow. Escrow Holder will NOT be held responsible for lost interest due to wire delays caused by any bank or the Federal Reserve System, and recommends that all parties make themselves aware of banking regulations with regard to placement of wires.

In the event there is insufficient time to place a wire upon any such confirmation or the wires have closed for the day, the parties agree to provide written instructions for an alternative method of disbursement. WITHOUT AN ALTERNATIVE DISBURSEMENT INSTRUCTION, FUNDS WILL BE HELD IN TRUST IN A NON-INTEREST BEARING ACCOUNT UNTIL THE NEXT OPPORTUNITY FOR WIRE PLACEMENT.

2. PRORATIONS AND ADJUSTMENTS

All prorations and/or adjustments called for in this escrow are to be made on the basis of a thirty (30) day month unless otherwise instructed in writing. You are to use information contained on last available tax statement, rental statement as provided by the GRANTOR, beneficiary's statement and fire insurance policy delivered into escrow for the prorations provided for herein.

3. SUPPLEMENTAL TAXES

The within described property may be subject to supplemental real property taxes due to the change of ownership taking place through this or a previous escrow transaction. Any supplemental real property taxes arising as a result of the transfer of the property to DISTRICT shall be the sole responsibility of DISTRICT and any supplemental real property taxes arising prior to the closing date shall be the sole responsibility of the GRANTOR. TAX BILLS OR REFUNDS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN DISTRICT AND GRANTOR.

4. UTILITIES/POSSESSION

Transfer of utilities and possession of the premises are to be settled by the parties directly and outside escrow.

5. PREPARATION AND RECORDATION OF INSTRUMENTS

Escrow Holder is authorized to prepare, obtain, record and deliver the necessary instruments to carry out the terms and conditions of this escrow and to order the policy of title insurance to be issued at close of escrow as called for in these instructions. Close of escrow shall mean the date instruments are recorded.

6. AUTHORIZATION TO FURNISH COPIES

You are authorized to furnish copies of these instructions, supplements, amendments, notices of cancellation and closing statements, to the Real Estate Broker(s) and Lender(s) named in this escrow.

7. RIGHT OF CANCELLATION

Any principal instructing you to cancel this escrow shall file notice of cancellation in your office in writing. You shall, within two (2) working days thereafter, deliver, one copy of such notice to each of the other principals at the addresses stated in this escrow. UNLESS WRITTEN OBJECTION TO CANCELLATION IS FILED IN YOUR OFFICE BY A PRINCIPAL WITHIN TEN (10) DAYS AFTER DATE OF SUCH DELIVERY, YOU ARE AUTHORIZED TO COMPLY WITH SUCH NOTICE AND DEMAND PAYMENT OF YOUR CANCELLATION CHARGES. If written objection is filed, you are authorized to hold all money and instruments in this escrow and

take no further action until otherwise directed, either by the principals' mutual written instructions, or by final order of a court of competent jurisdiction.

8. PERSONAL PROPERTY

No examination or insurance as to the amount or payment of personal property taxes is required unless specifically requested.

By signing these General Provisions, the parties to the escrow hereby acknowledge that they are indemnifying the Escrow Holder against any and all matters relating to any "Bulk Sales" requirements, and instruct Escrow Agent to proceed with the closing of escrow without any consideration of matter of any nature whatsoever regarding "Bulk Sales" being handled through escrow.

9. RIGHT OF RESIGNATION

Escrow Holder has the right to resign upon written notice delivered to the principals herein. If such right is exercised, all funds and documents shall be returned to the party who deposited them and Escrow Holder shall have no liability hereunder.

10. AUTHORIZATION TO EXECUTE ASSIGNMENT OF HAZARD INSURANCE POLICIES

Either DISTRICT, GRANTOR and/or Lender may hand you the insurance agent's name and insurance policy information, and you are to execute, on behalf of the principals hereto, form assignments of interest in any insurance policy (other than title insurance) called for in this escrow, forward assignment and policy to the insurance agent, requesting that the insurer consent to such transfer and/or attach a loss payable clause and/or such other endorsements as may be required, and forward such policy(s) to the principals entitled thereto. It is not your responsibility to verify the information handed you or the assignability of said insurance. Your sole duty is to forward said request to insurance agent at close of escrow.

Further, there shall be no responsibility upon the part of Escrow Holder to renew hazard insurance policy(s) upon expiration or otherwise keep it in force either during or subsequent to the close of escrow. Cancellation of any existing hazard insurance policies is to be handled directly by the principals, and outside of escrow.

11. ACTION IN INTERPLEADER

The principals hereto expressly agree that you, as Escrow Holder, have the absolute right at your election to file an action in interpleader requiring the principals to answer and litigate their several claims and rights among themselves and you are authorized to deposit with the clerk of the court all documents and funds held in this escrow. In the event such action is filed, the principals jointly and severally agree to pay your cancellation charges and costs, expenses and reasonable attorney's fees which you are required to expend or incur in such interpleader action, the amount thereof to be fixed and judgment therefore to be rendered by the court. Upon the filing of such action, you shall thereupon be fully released and discharged from all obligations imposed by the terms of this escrow or otherwise.

12. TERMINATION OF AGENCY OBLIGATION

If there is no action taken on this escrow within six (6) months after the "time limit date" as set forth in the escrow instructions or written extension thereof, your agency obligation shall terminate at your option and all documents, monies or other items held by you shall be returned to the parties depositing same. In the event of cancellation of this escrow, whether it be at the request of any of the principals or otherwise, the fees and charges due **Fidelity National Title Company**, including

expenditures incurred and/or authorized shall be borne equally by the parties hereto (unless otherwise agreed to specifically).

13. CONFLICTING INSTRUCTIONS

Upon receipt of any conflicting instructions, you are to take no action in connection with this escrow until non-conflicting instructions are received from all of the principals to this escrow (subject to sections 7, 9, 11 and 12 above).

14. DELIVERY/RECEIPT

Delivery to principals as used in these instructions unless otherwise stated herein is to be by hand in person to the principal, regular mail, email or fax to any of the contact information provided in these instructions. If delivered by regular mail receipt is determined to be 72 hours after such mailing. All documents, balances and statements due to the undersigned may be delivered to the contact information shown herein. All notices, change of instructions, communications and documents are to be delivered in writing to the office of **Fidelity National Title Company** as set forth herein.

15. STATE/FEDERAL CODE NOTIFICATIONS

According to Federal Law, the GRANTOR, when applicable, will be required to complete a sales activity report that will be utilized to generate a 1099 statement to the Internal Revenue Service.

Pursuant to State Law, prior to the close of escrow, DISTRICT will provide Escrow Holder with a Preliminary Change of Ownership Report. In the event said report is not handed to Escrow Holder for submission to the County in which subject property is located, upon recording of the Grant Deed, DISTRICT acknowledges that the applicable fee will be assessed by said County and Escrow Holder shall debit the account of DISTRICT for same at close of escrow.

16. NON-RESIDENT ALIEN

The Foreign Investment in Real Property Tax Act (FIRPTA), Title 26 U.S.C., Section 1445, and the regulations there under, provide in part, that a transferee (DISTRICT) of a U.S. real property interest from a foreign person must withhold a statutory percentage of the amount realized on the disposition, report the transaction and remit the withholding to the Internal Revenue Service (IRS) within twenty (20) days after the transfer. **Fidelity National Title Company** will not determine nor aid in the determination of whether the FIRPTA withholding provisions are applicable to the subject transaction, nor act as a Qualified Substitute under state or federal law, nor furnish tax advice to any party to the transaction. **Fidelity National Title Company** will not determine nor aid in the determination of whether the transaction will qualify for an exception or an exemption and is not responsible for the filing of any tax forms with the IRS as they relate to FIRPTA, nor responsible for collecting and holding of any documentation from the DISTRICT or GRANTOR on the DISTRICT'S behalf for the purpose of supporting a claim of an exception or exemption. **Fidelity National Title Company** is not an agent for the DISTRICT for the purposes of receiving and analyzing any evidence or documentation that the GRANTOR in the subject transaction is a U.S. citizen or resident alien. **Fidelity National Title Company** is not responsible for the payment of this tax and/or penalty and/or interest incurred in connection therewith and such taxes are not a matter covered by the Owner's Policy of Title Insurance to be issued to the DISTRICT. **Fidelity National Title Company** is not responsible for the completion of any IRS documents or related forms related to the referenced statute. The DISTRICT is advised: they must independently make a determination of whether the contemplated transaction is subject to the withholding requirement; bear full responsibility for compliance with the withholding requirement if applicable and/or for payment of any tax, interest, penalties and/or other expenses that may be due on the subject

transaction; and they are responsible for the completion of any and all forms, including but not limited to applicable IRS documentation, and the mailing of those forms. The DISTRICT is advised any forms, documents, or information received from **Fidelity National Title Company** is not tax or legal advice and should not be construed as such nor treated as a complete representation of FIRPTA requirements. DISTRICT should seek outside counsel from a qualified individual to determine any and all implications of the referenced statute.

17. ENCUMBRANCES

Escrow Holder is to act upon any statements furnished by a lienholder or his agent without liability or responsibility for the accuracy of such statements. Any adjustments necessary because of a discrepancy between the information furnished Escrow Holder and any amount later determined to be correct shall be settled between the parties direct and outside of escrow.

You are authorized, without the need for further approval, to debit my account for any fees and charges that I have agreed to pay in connection with this escrow, and for any amounts that I am obligated to pay to the holder of any lien or encumbrance to establish the title as insured by the policy of title insurance called for in these instructions. If for any reason my account is not debited for such amounts at the time of closing, I agree to pay them immediately upon demand, or to reimburse any other person or entity who has paid them.

18. ENVIRONMENTAL ISSUES

Fidelity National Title Company has made no investigation concerning said property as to environmental/toxic waste issues. Any due diligence required or needed to determine environmental impact as to forms of toxification, if applicable, will be done directly and by principals outside of escrow. **Fidelity National Title Company** is released of any responsibility and/or liability in connection therewith.

19. USURY

Escrow Holder is not to be concerned with any questions of usury in any loan or encumbrance involved in the processing of this escrow and is hereby released of any responsibility or liability therefore.

20. DISCLOSURE

Escrow Holder's knowledge of matters affecting the property, provided such facts do not prevent compliance with these instructions, does not create any liability or duty in addition to these instructions.

21. FACSIMILE/ELECTRONIC SIGNATURE

Escrow Holder is hereby authorized and instructed that, in the event any party utilizes electronic or "facsimile" transmitted signed documents or instructions to Escrow Holder, you are to rely on the same for all escrow instruction purposes and the closing of escrow as if they bore original signatures. "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law.

22. CLARIFICATION OF DUTIES

Fidelity National Title Company serves ONLY as an Escrow Holder in connection with these instructions and cannot give legal advice to any party hereto.

Escrow Holder is not to be held accountable or liable for the sufficiency or correctness as to form, manner of execution, or validity of any instrument deposited in this escrow, nor as to the identity, authority or rights of any person executing the same. Escrow Holder's duties hereunder shall be limited to the proper handling of such money and the proper safekeeping of such instruments, or

other documents received by Escrow Holder, and for the disposition of same in accordance with the written instructions accepted by Escrow Holder.

The agency and duties of Escrow Holder commence only upon receipt of copies of these Escrow Instructions executed by all parties.

23. FUNDS HELD IN ESCROW

When the company has funds remaining in escrow over 90 days after close of escrow or estimated close of escrow, the Company shall impose a monthly holding fee of \$25.00 that is to be charged against the funds held by the Company.

THIS AGREEMENT IN ALL PARTS APPLIES TO, INURES TO THE BENEFIT OF, AND BINDS ALL PARTIES HERETO, THEIR HEIRS, LEGATEES, DEVISEES, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, AND WHENEVER THE CONTEXT SO REQUIRES THE MASCULINE GENDER INCLUDES THE FEMININE AND NEUTER, AND THE SINGULAR NUMBER INCLUDES THE PLURAL. THESE INSTRUCTIONS AND ANY OTHER AMENDMENTS MAY BE EXECUTED IN ANY NUMBER OF COUNTERPARTS, EACH OF WHICH SHALL BE CONSIDERED AS AN ORIGINAL AND BE EFFECTIVE AS SUCH.

MY SIGNATURE HERETO CONSTITUTES INSTRUCTION TO ESCROW HOLDER OF ALL TERMS AND CONDITIONS CONTAINED IN THIS AND ALL PRECEDING PAGES AND FURTHER SIGNIFIES THAT I HAVE READ AND UNDERSTAND THESE GENERAL PROVISIONS.

Fidelity National Title Company conducts escrow business under a Certificate of Authority No. 305 issued by the California Department of Insurance.