

AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is entered into by and between the City of Ontario, a California municipal corporation (“**City**” or “**Buyer**”), and San Bernardino County, a political subdivision of the State of California (“**County**” or “**Seller**”). Buyer and Seller are sometimes individually referred to herein as “**Party**” and collectively as “**Parties**.” The Parties hereto have executed this Agreement on the dates set forth below next to their respective signatures. This Agreement shall be effective as of the date the last of the Parties executes this Agreement (“**Effective Date**”).

RECITALS

- A. Seller is the owner in fee of certain real property consisting of approximately 73.19 acres, located at the northwest corner of Merrill Avenue and Bon View Avenue in the City of Ontario, County of San Bernardino, State of California, more fully described in Exhibit “A” attached hereto and incorporated herein by reference (the “**Property**”). The term “**Property**” shall mean and be inclusive of the following:
- (i) the land on which the Property is situated (“**Land**”);
 - (ii) Seller’s rights, if any, in and to all easements, mineral rights, oil and gas rights, water, water rights, and other rights and privileges appurtenant to the Land (collectively, “**Appurtenances**”);
 - (iii) Any and all of Seller's right, title and interest in Seller-owned buildings, structures, systems, improvements, fences and parking areas located on the Land and any and all Seller-owned machinery, equipment, apparatus and appliances used in connection with the operation or occupancy of the Land as a dairy farm and field under cultivation for row crops (such as pump and well and irrigation systems and facilities used to provide utility services, refrigeration, ventilation, refuse/sewage/manure disposal or other amenities on the Land) and other Seller-owned improvements located upon the Land, including, but not limited to, improvements and property located at 7565 Eucalyptus Avenue, Ontario, California, (collectively, the “**Improvements**”), which (for avoidance of doubt) expressly excludes any such improvements owned by Tenant (as defined in Section 9.3 herein) at the Property;
 - (iv) All of Seller's right, title and interest in and to any Seller-owned personal property located within or used in connection with the Property, including, without limitation, equipment, furniture, machinery, pumps, vehicles, supplies, tools, crops and/or livestock used in operation of the dairy farm, feed, silage, milk contracts, herd records, any herd health records, and other tangible personal property described in the Personal Property Inventory attached hereto as Exhibit “B” (collectively, the “**Personal Property**”), which (for avoidance of doubt) expressly excludes any such personal property owned by Tenant at the Property;

(v) To the extent owned by Seller, all tangible and intangible assets of any nature that are exclusive to the Property or the Personal Property thereon, including without limitation (a) all existing warranties upon the Improvements or Personal Property, to the full extent such warranties are assignable, (b) all intangible property used by Seller for the Property; (c) all claims and causes of action arising out of or in connection with the Property arising on and after the Close of Escrow; (d) all licenses, development rights, entitlement rights, water and mineral rights, air space rights, other rights and benefits to the extent for the Property and all of Seller's rights, if any, under crop insurance policies on any Seller-owned crop growing on the Property, and all of Seller's rights to applicable claims and proceeds thereunder ("**Intangible Personal Property**"), which (for avoidance of doubt) expressly excludes any such intangible personal property owned by Tenant at the Property ("**Tenant Personal Property**").

(vi) The Land, Appurtenances, Improvements, Personal Property, and the Intangible Personal Property are collectively referred to herein as the Property.

- B. Buyer acknowledges and understands that, in addition to any other encumbrances that may exist, the Property is subject to a deed restriction ("**Deed Restriction**"), the release of which requires the prior written concurrence of an appraisal of the Property by the State of California's Office of Grants and Local Services ("**OGALS**"), and the sale is in accordance with the 2026 amended and restated land plan, as approved by the California Department of Parks and Recreation on or around March 3, 2026, and Seller's Board of Supervisors (the "**Amended Land Plan**") as well as satisfaction by Seller of all terms and conditions of SB 1124 (2010).
- C. Seller desires to directly sell the Property to Buyer and Buyer desires to purchase the Property from Seller, subject to the Tenant and Dairy Lease (as each are defined in Section 9.3), on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

TERMS

1. PURCHASE AND SALE.

1.1 Property. Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, upon the terms and conditions set forth herein.

1.2 Purchase Price and Independent Consideration. The total purchase price for the Property is Ninety-Five Million Dollars (\$95,000,000) ("**Purchase Price**"). Within fifteen (15) business days after the Opening of Escrow (as defined below), Buyer shall deliver to Seller the sum of One Hundred and 00/100 Dollars (\$100.00) (the "**Independent Consideration Payment**"), as independent consideration for Buyer's right to purchase the Property and to terminate this Agreement on or prior to the expiration of the Due Diligence Period and for Seller's execution, delivery, and performance of this Agreement. The Independent Consideration

Payment is non-refundable, not applicable to the Purchase Price, and shall be retained by Seller notwithstanding any other provision of this Agreement.

1.3 Initial Deposit. Within fifteen (15) business days of the Opening of Escrow Date, Buyer shall also deposit with the Escrow Holder the sum of One Hundred Thousand and 00/100 Dollars (\$100,000) (the “**Initial Deposit**”). The Initial Deposit shall be applied to Purchase Price at Closing, but shall be refunded if Buyer or Seller timely exercises any of their termination rights prior to Close of Escrow.

1.4 Payment of Purchase Price. At Close of Escrow (as defined in Section 2.3), Buyer shall pay the Purchase Price to Seller through escrow in cash, by cashier’s or certified check or by wire transfer. Escrow Holder shall retain Two Hundred Fifty Thousand Dollars (\$250,000) from funds otherwise payable to Seller at Closing and hold said funds post-Closing as the “**Tenant Holdback**” in accordance with Sections 2.10.5 and 10. Buyer’s deposit of the full Purchase Price into Escrow shall satisfy Buyer’s obligation to pay the Purchase Price notwithstanding the Tenant Holdback.

1.5 Attorney’s Fees for Preparation of Agreement. Each Party shall be responsible for payment of its own attorney’s fees and expenses with respect to negotiation and preparation of this Agreement and processing of the Escrow.

2. ESCROW.

2.1 Opening of Escrow. Within five (5) business days following the Effective Date, Seller and Buyer shall open an escrow (“**Escrow**”) for the conveyance of the Property with Chicago Title Company; Pam Fry; (909) 941-6494; pam.fry@ctt.com (“**Escrow Holder**”). Escrow shall be deemed open on the date Escrow Holder shall have received a copy of this Agreement from Buyer, fully executed by the Parties (“**Opening of Escrow**”). Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened.

2.2 Escrow Instructions. This Agreement constitutes the joint instructions of Buyer and Seller to Escrow Holder for the conveyance of the Property. Buyer and Seller shall execute, deliver and be bound by any reasonable or customary supplemental or additional escrow instructions (“**Additional Instructions**”) of Escrow Holder or other instruments as may be reasonably required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. In the event of any conflict or any inconsistency between this Agreement and such Additional Instructions, this Agreement shall govern unless otherwise specifically agreed to in writing by the Parties.

2.3 Close of Escrow. Recordation of the Grant Deed conveying title to the Property from Seller to Buyer (“**Grant Deed**”) – in substantially the same form attached hereto as Exhibit “C” and disbursement of funds and distribution of other documents by Escrow Holder as described herein shall constitute “**Close of Escrow**” or “**Closing**” and the date thereof shall be the “**Closing Date.**” Close of Escrow shall occur thirty (30) days following the later of: (i) the expiration of the Due Diligence Period (as may be extended) and (ii) Seller’s receipt of written concurrence from OGALS and satisfaction of all terms and conditions of SB 1124 (2010) have been met or waived by the respective party; provided that: (a) neither party has terminated this

Agreement, (b) all conditions of the Close of Escrow set forth in this Agreement, have been met or waived by the respective party. Notwithstanding the preceding sentence, the Close of Escrow shall occur no later than sixty (60) days after the expiration of the Due Diligence Period or any extensions thereof; if Escrow has not closed by then, Buyer may terminate this Agreement by written notice to Seller. Buyer and Seller may agree to extend the Closing Date by joint written notice to Escrow Holder. Seller's Director of the Real Estate Services Department shall have the authority on behalf of Seller to provide Seller's agreement to Buyer to extend the Closing Date as reasonably necessary. Closing shall be conditioned upon satisfaction, or waiver by the Party for whose benefit the condition exists, of all conditions precedent thereto.

2.4 Costs of Escrow. Buyer shall cause the Title Company to deliver to Buyer (a) an ALTA Standard Owner's policy of title insurance, provided that Buyer may also require an ALTA Extended Owner's Policy if Buyer pays the incremental premium for the Extended ALTA coverage (or at Buyer's election a binder therefor) for the Property, or (b) the Title Company's irrevocable commitment to issue such policy of title insurance, (including such coinsurance, reinsurance and endorsements as Buyer shall require), with liability equal to the Purchase Price showing fee title to the Property vested in Buyer and subject only to: (i) the matters and exceptions which were approved by Buyer pursuant to Section 3.3; and (ii) the standard printed exceptions in the form of title policy called for (collectively, "**Conditions of Title**").

2.4.1 Each party shall pay one-half of Escrow fees and normal closing costs attributable to the conveyance of the Property (collectively "**Closing Costs**"). Due to Seller's and Buyer's status as public agencies, no recording fees will be payable (pursuant to Government Code Section 27383), and no documentary transfer tax will be payable (pursuant to Revenue & Taxation Code Section 11922). Escrow Holder shall provide an estimated closing statement to Buyer and Seller at least three (3) days prior to the Closing Date. In accordance with Section 1.5 above, each Party shall be responsible for payment of its own attorneys' fees and expenses with respect to the negotiation and preparation of this Agreement.

2.5 Property Taxes and Assessments. Seller and Buyer are public agencies and are exempt from payment of real property taxes. The Property is not currently on the tax rolls and thus no property taxes are due and payable, nor will any taxes be due upon purchase.

2.6 Buyer's Conditions Precedent to Close of Escrow. Close of Escrow and Buyer's obligation to accept title to the Property and pay the Purchase Price are subject to the satisfaction of the following conditions for Buyer's benefit (or Buyer's written waiver thereof, which may be made in Buyer's sole discretion), on or prior to the Closing Date:

2.6.1 Ratification of this Agreement by City Council.

2.6.2 Seller shall have tendered into Escrow all payments and documents required of it pursuant to this Agreement.

2.6.3 Seller shall have complied with all applicable provisions and taken all actions and executed all documents necessary to comply with the California Surplus Land Act (Gov. Code § 54220 et seq.) ("**SLA**") with respect to the disposition of the Property, including

delivery of any required notices to the California Department of Housing and Community Development (“HCD”).

2.6.4 Pursuant to Section 4.6, Buyer’s completion of CEQA compliance review (including adoption of any required findings and/or determination) solely related to Buyer’s acquisition of the Property from Seller pursuant to this Agreement, to Buyer’s satisfaction.

2.6.5 Seller shall have received OGALS approval and concurrence on the appraisal of the Property and Seller shall have satisfied all other terms or conditions under SB 1124 (2010) necessary for the release of the Deed Restriction. Seller shall keep Buyer reasonably informed of the status of such approval and shall promptly provide Buyer with copies of all material correspondence, submittals, and approvals received from OGALS.

2.6.6 Seller shall not be in default following a ten (10) business day cure period, of its obligations that are to be completed prior to the Close of Escrow as provided in this Agreement.

2.6.7 Escrow Holder shall have received an irrevocable commitment from the Title Company to issue the Title Policy (defined in Section 3.1), subject only to the Permitted Exceptions, as described in Section 3.2 below.

2.6.8 All representations and warranties of Seller shall be true in all material respects as of the Effective Date and as of Close of Escrow, as if made on and as of each such date.

2.6.9 All property expenses, utilities, taxes (if any) and assessments attributable to the Property, if any, shall have been paid by Seller before delinquency (or paid at Closing) and shall be current as of Close of Escrow.

2.6.10 Buyer shall have approved Escrow Holder’s estimated closing statement.

2.6.11 Seller shall not rescind, waive, extend, modify, or compromise the Dairy Lease, or Tenant’s rights of occupancy without Buyer’s prior written consent, which Buyer may withhold in its sole discretion.

2.6.12 Escrow Holder shall have established the Tenant Holdback at Closing in accordance with Sections 1.4, 2.10.5, and 10.

2.6.13 Seller shall have delivered to Buyer an estoppel certificate executed by Seller, in form reasonably acceptable to Buyer, confirming the Dairy Lease is in full force and effect, the rent, security deposit, paid-through date, any defaults, any amendments or occupancy rights (the “**Estoppel**”). As of Closing, the Estoppel delivered herein shall remain true and correct in all material respects.

2.7 Seller’s Conditions Precedent to Close of Escrow. Close of Escrow and Seller’s obligation to convey the Property are subject to the satisfaction of the following conditions

for Seller's benefit (or Seller's written waiver thereof, which may be made in Seller's sole discretion except for Sections 2.7.6, 2.7.7, and 2.7.8) on or prior to the Closing Date:

2.7.1 Ratification of this Agreement by County Board of Supervisors.

2.7.2 Buyer shall have tendered into Escrow all payments, including but not limited to the Purchase Price, and documents required of it pursuant to this Agreement.

2.7.3 Buyer shall not be in default following a ten (10) business day cure period, of its material obligations which are to be completed prior to the Close of Escrow as provided in this Agreement.

2.7.4 All representations and warranties of Buyer shall be true in all material respects as of the Effective Date and as of Close of Escrow, as if made on and as of each such date.

2.7.5 Seller shall have approved Escrow Holder's estimated closing statement.

2.7.6 Seller shall have received concurrence from OGALS on the appraisal of the Property and Seller shall have satisfied all other terms or conditions under SB 1124 (2010) necessary for the release of the Deed Restriction.

2.7.7 Seller's requirements under CEQA shall have been complied with;

2.7.8 Seller has received a written letter of concurrence from the California Department of Housing and Community Development (HCD) that the Property is Exempt Surplus Land under the Surplus Land Act and at least thirty (30) days have passed following the receipt of such concurrence letter.

2.8 Buyer's Payments and Documents. Not less than one (1) business day prior to Closing, Buyer shall pay or tender (as applicable) to Escrow Holder the following funds and documents (in recordable form, as necessary):

2.8.1 The Purchase Price;

2.8.2 Funds required to pay the Closing Costs payable by Buyer pursuant to Section 2.4 herein;

2.8.3 A Certificate of Acceptance, accepting Grant Deed and consenting to recording of same ("**Certificate of Acceptance**") in the same form as that attached to the Grant Deed; a duly executed bill of sale, in the form of Exhibit "D", conveying the Personal Property to Buyer ("**Bill of Sale**"); and a duly executed general assignment, in the form of Exhibit "E", assigning to Buyer all of Seller's interest in the Dairy Lease and the intangible property at the Property owned by Seller (the "**General Assignment**");

2.8.4 Preliminary Change of Ownership and Documentary Transfer Tax Affidavit forms; and

2.8.5 Such other documents and funds as may be required of Buyer under this Agreement and by Escrow Holder in the performance of its contractual or statutory obligations.

2.9 Seller's Payments and Documents. Not less than one (1) business day prior to Closing, Seller shall pay or tender (as applicable) to Escrow Holder the following funds (which amounts may be offset against funds otherwise payable to Seller through Escrow) and documents (in recordable form, as necessary):

2.9.1 Funds required to pay the Closing Costs payable by Seller pursuant to Section 2.4 herein;

2.9.2 The fully-executed and acknowledged Grant Deed, provided that Seller has first received a written letter of concurrence from the California Department of Housing and Community Development (HCD) that the Property is Exempt Surplus Land under the Surplus Land Act and at least thirty (30) days have passed following the receipt of such concurrence letter;

2.9.3 A duly executed bill of sale, in the form of Exhibit "D", conveying the Personal Property to Buyer ("**Bill of Sale**");

2.9.4 A duly executed general assignment and assignment of lease, in the form of Exhibit "E", assigning to Buyer all of Seller's interest in the Dairy Lease and the intangible property at the Property owned by Seller (the "**General Assignment**");

2.9.5 FIRPTA Certificate and California Form 593-C, using forms to be provided by Escrow Holder;

2.9.6 An Estoppel executed by Seller subject to Section 2.6.13;

2.9.7 Such other documents and funds required of Seller under this Agreement and by Escrow Holder in the performance of its contractual or statutory obligations.

2.10 Escrow Holder Responsibilities. Upon the Closing, Escrow Holder is authorized and instructed to:

2.10.1 Pay and charge Buyer and Seller, respectively, for any fees, charges and costs payable under this Agreement. Before such payments or charges are made, Escrow Holder shall notify Buyer and Seller of the fees, charges and costs necessary to clear title and close the Escrow.

2.10.2 Record the Grant Deed, with Certificate of Acceptance attached thereto, and any other instruments, as appropriate, delivered through Escrow.

2.10.3 Disburse such other funds and deliver such other documents to the Parties entitled thereto.

2.10.4 Cause the Title Policy to be issued.

2.10.5 Withhold the Tenant Holdback from funds otherwise payable to Seller at Closing and hold and disburse the Tenant Holdback in accordance with Section 10.

2.11 Notices. All communications from Escrow Holder to either Buyer or Seller shall be directed to the addresses and in the manner established in Section 12.1 herein.

2.12 Electronically Transmitted/Counterpart Documents. In the event Buyer or Seller utilizes electronically transmitted signed documents (e-mail or facsimile), the Parties hereby agree to accept and instruct Escrow Holder to rely upon such documents as if they bore original signatures. Notwithstanding the foregoing, if requested by Escrow Holder, Buyer and Seller hereby acknowledge and agree to provide such documents bearing original signatures to Escrow Holder, within seventy-two (72) hours after such request. Buyer and Seller further acknowledge and agree that electronically transmitted documents bearing non-original signatures will not be accepted for recording and that the Parties will provide originally executed documents to Escrow Holder for such purpose. Escrow Holder is authorized to utilize documents which have been signed by Buyer and Seller in counterparts.

2.13 Seller Covenants. Seller covenants and agrees with the Buyer that:

2.13.1 To satisfy the condition in Sections 2.6.5 and 2.7.6, upon the Effective Date until Closing, Seller shall diligently pursue all actions required to satisfy Seller's obligations under SB 1124 (2010), including obtaining OGALS' written concurrence on the appraisal in connection with the conveyance and the release of the Deed Restriction. Seller acknowledges the Deed Restriction is released by operation of law upon satisfaction of SB 1124, and Seller shall timely provide (and cause to be filed/recorded, if applicable) all notices, certifications, and other documentation required by OGALS and the Title Company to evidence such satisfaction and clear the Deed Restriction of record as of Closing. Seller shall reasonably cooperate with Buyer in connection with the foregoing.

2.13.2 Seller shall maintain the Property until the Closing Date in accordance with the same standards Seller has customarily observed in its ownership and management of the Property;

2.13.3 Seller shall maintain in force all insurance policies until the Closing Date currently maintained by Seller with respect to the Property; and

2.13.4 Seller shall not cause, permit, allow or suffer any further encumbrances or liens to the Property.

2.14 Further Assurances; Survival. Each Party will, whenever and as often as it shall be reasonably requested to do so by the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all such further reasonable documents and do any and all other acts as may be necessary to fulfill the intent and purpose of this Agreement, provided that neither Party shall be obligated to incur any additional costs or obligations to provide such further assurances. All covenants and obligations contained in this Agreement which imply or require performance after the Close of Escrow (including without limitation all provisions regarding indemnity and release) and all representations and warranties of the parties contained in this agreement shall survive such Close of Escrow for 12 months

thereafter, except to the extent a different survival period is expressly stated in this Agreement, including Section 10.

3. TITLE.

3.1 Condition of Title; Title Policy. It is a condition to the Close of Escrow for Buyer's benefit that fee title to the Property and the right to possession of the Property conveyed to Buyer pursuant to this Agreement shall be subject only to the Permitted Exceptions (defined below), as evidenced by the receipt by Escrow Holder of an irrevocable commitment from Chicago Title Company ("**Title Company**") to issue to Buyer upon Close of Escrow its Standard Owner's Form Policy of Title Insurance ("**Title Policy**") with coverage in an amount equal to the Purchase Price. The Parties shall cause the Title Company to issue the Title Policy to Buyer upon Close of Escrow.

3.2 Permitted Exceptions. The term "**Permitted Exceptions**" as used herein shall mean the following conditions and exceptions to title or possession:

3.2.1 A lien to secure payment of general and special real property taxes and assessments, not delinquent, if any.

3.2.2 Other exceptions to title disclosed by the Title Report (defined below) which have been approved in writing by Buyer prior to the Close of Escrow.

3.2.3 Matters affecting the condition of title created by or with the consent of Buyer in its sole discretion, including any existing irrigation, farming or dairy operating agreement here, if continuing after Closing.

3.2.4 Seller is the owner in fee of the Property and acquired it pursuant to the Wildlife, Coastal, and Park Land Conservation Bond Act (as modified by uncodified legislation in Senate Bill 1124 ("**SB 1124**").) Thus, as of the Effective Date, the Deed Restriction has been recorded against the Property and per its own terms the Deed Restriction remains in effect until Escrow closes at which time it is extinguished by demonstrable recordable evidence delivered to Escrow Holder and Buyer, such as the Grant Deed.

3.3 Title Report. Within two (2) calendar days following the Opening of Escrow, Buyer shall obtain at its own cost, a standard preliminary report from the Title Company, together with the underlying documents relating to the Schedule B exceptions set forth in such report (collectively, the "**Title Report**"). By end of the Due Diligence Period (as defined below) ("**Buyer's Title Review Period**"), Buyer shall provide to Seller and Escrow Holder its written notice ("**Buyer's Title Notice**") of either its approval ("**Permitted Item(s)**") or disapproval ("**Disapproved Item(s)**") of the exceptions and other items to title shown in the Title Report. In the event there are any Disapproved Item(s) in Buyer's Title Notice, within seven (7) calendar days following Seller's receipt of Buyer's Title Notice ("**Seller's Election Period**"), Seller shall provide to Buyer and Escrow Holder its written notice ("**Seller's Title Notice**") as to whether it elects to eliminate the Disapproved Item(s) by Close of Escrow, as Seller may elect in its sole and absolute discretion except as expressly provided in this Section 3.3. The failure of Seller to timely provide Seller's Title Notice shall be conclusively deemed to constitute Buyer's receipt of Seller's Title Notice on the last day of Seller's Election Period specifying Seller's election to not eliminate any

of the Disapproved Item(s). In the event: (a) Seller elects or is deemed to elect not to eliminate any Disapproved Item(s); or (b) Seller elects to eliminate any Disapproved Item(s), but fails to do so, then Buyer shall have the right to either (i) waive its prior disapproval(s) and accept title to the Property subject to such Disapproved Item(s); or (ii) terminate this Agreement as provided in Section 8.

3.3.1 Notwithstanding any other provision in this Agreement, any exceptions to title to the Property representing monetary liens or encumbrances are hereby disapproved and deemed a Disapproved Item(s), and Escrow Holder is hereby authorized and instructed to cause at Close of Escrow the satisfaction and removal of any such monetary exceptions from funds otherwise payable to Seller at Close of Escrow. Except for monetary liens or encumbrances as identified in the prior sentence, which Seller shall be required to remove as a condition precedent to Buyer's purchase, Seller shall have no obligation to eliminate any Disapproved Item(s) or to pay any consideration or incur any liability in order to eliminate any Disapproved Item(s). Seller may, at its sole discretion, elect to obtain any endorsements to the Title Policy which it may desire to assist in removing the Disapproved Item(s).

4. SUITABILITY AND CONDITION OF PROPERTY.

4.1 Determination of Suitability and Approval of Environmental and Other Conditions. On or before 5:00 PM PST on the last day of the Due Diligence Period, and subject to extension as provided in Section 4.2.1, Buyer shall determine whether the Property is so suitable and shall provide to Seller and Escrow Holder its written notice of such determination. In the event Buyer determines that the Property is so suitable, such determination by Buyer shall not alter or diminish Seller's representations and warranties made herein or under law, unless a representation or warranty is specifically waived in whole or in part by Buyer. In the event Buyer determines the Property is not so suitable, then Buyer may terminate this Agreement as provided in Section 8 herein with Buyer to pay the entire cost of escrow cancellation and the parties shall have no further obligations to each other except as such obligations expressly survive herein. Buyer's failure to give written notice of termination to the Seller on or before the expiration of the Due Diligence Period shall constitute an election by Buyer to waive the termination right contemplated under this Section 4.1 and proceed with this Agreement, subject to all of the other terms and conditions of this Agreement.

4.2 Inspections and Testing. For a sixty (60) day period beginning on the Effective Date ("**Due Diligence Period**"), subject to Tenant's rights under the Dairy Lease, Buyer may conduct, at Buyer's sole expense, such inspections and non-invasive testing of the Property, including the improvements thereon, to determine the suitability of the Property for Buyer's intended use and development. Buyer shall: (a) conduct all due diligence activities in a diligent, expeditious and safe manner and not knowingly, negligently, or cause to allow any dangerous or hazardous conditions to occur on the Property, (b) comply with all applicable laws and governmental regulations; (c) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the access and due diligence activities performed by Buyer and Buyer's Agents (as defined below); and (d) promptly repair any and all damage to the Property caused by Buyer and Buyer's Agents and return the Property to the condition existing immediately prior to said access, reasonable wear and tear excepted.

4.2.1 Extension of Due Diligence Period. If the Due Diligence results indicate further testing or investigation is recommended or required, or if Seller, in its sole discretion, permits Invasive Investigations (as defined in Section 4.3), Buyer shall have the option, in its sole discretion, to extend the Due Diligence Period by one thirty (30) day period in accordance with the provisions of Section 4.3. Buyer shall give notice of such requirement for an extension prior to the expiration of the Due Diligence Period and shall provide to Seller a copy of such report indicating the requirement for Seller's consideration of its request.

4.3 Access to the Property. Buyer's investigation ("**Due Diligence Investigation**") may include, at Buyer's option, in accordance with the grant of access agreement executed by the Parties: a physical inspection of the Land and all Improvements thereon, including soil, surface geological and other tests, engineering evaluations of the mechanical, electrical, silage storage, sewer/drainage, water quality testing, and other systems in the Improvements and review of the plans; review of all governmental matters affecting the Property, including zoning, environmental and building permit and occupancy matters; review and verification of all financial and other information previously provided by Seller relating to the operation of the Property; review of the condition of title to the Property, including the building, structural system and roof inspection; and review of such other matters pertaining to an investment in the Property as Buyer deems advisable, provided that Buyer shall not conduct any Invasive Investigations without the written consent of the Seller, which shall be at Seller's sole discretion. The term "**Invasive Investigations**" as used in this Agreement means and refers to testing or inspections that involve digging, drilling, cutting, or boring into the ground of the Property, including (without limitation) a "Phase II" environmental assessment. If Buyer desires to conduct any Invasive Investigations, it will first provide Seller with a written statement describing the scope of any such Invasive Investigations. Subject to the terms and conditions of the Dairy Lease, Buyer and its authorized representatives, employees, agents and contractors ("**Buyer's Agents**") shall, in accordance with this Section 4.3, have the right of reasonable access to the Property during Seller's normal business hours prior to the end of the Due Diligence Period for the purpose of conducting such inspections and testing, provided that Buyer shall (i) give the Seller not less than three (3) business day telephonic, electronic mail or written notice prior to any intended access which notice shall include the date of such access and the purpose of the access; (ii) conduct no Invasive Investigations without the written consent of the Seller, which shall be at Seller's sole discretion; (iii) procure and maintain or cause Buyer's Agents to procure and maintain policies for workers' compensation insurance on all persons entering the Property in the amounts required by the State of California, commercial general liability insurance from companies admitted to transact insurance in the State of California covering all operations performed by or on behalf of Buyer or Buyer's Agents providing coverage for bodily injury and property damage with a combined single liability limits of at least \$1,000,000 per person and \$2,000,000 per occurrence, which limits shall be at least \$2,000,000 and \$2,000,000, respectively for any consultants or contractors conducting and Seller permitted invasive or destructive testing, and to include premises operations and mobile equipment, products and completed operations, broad form property damage (including completed operations), explosion, collapse, underground hazards, personal injury, and contractual liability. All such policies shall name Seller as an additional insured and include a waiver by the insurer of any right to subrogation against Seller and its members, officers, employees, agents, and volunteers. Buyer shall provide to Seller prior to initial entry onto the Property a certificate of insurance or other evidence satisfactory to Seller that Buyer and any Buyer Agents have in force the insurances required by this Agreement and provide a copy of such policies upon Seller's

request. Buyer may satisfy such insurance required for the Due Diligence Period through its self-qualified insurance if approved by Seller's Risk Management Department. Any insurance or self-insurance maintained by Seller shall be in excess of insurances required by Buyer or Buyer's Agents in this Agreement and shall not contribute with Buyer or Buyer's Agents insurance policies. The insurance policies required by Buyer or Buyer's Agents shall be kept and maintained in force during the Due Diligence Period and so long thereafter as necessary to cover any claims of damages suffered by persons or property resulting from any acts or omissions of Buyer and Buyer's Agents. As a covenant which will survive the Closing or any earlier termination of this Agreement, Buyer shall promptly repair any damage to the Property resulting from Buyer's inspections, and shall defend, indemnify and hold Seller harmless from and against any claims and liabilities asserted against Seller arising out of Buyer's or Buyer's Agents' inspections; provided, however, the indemnity shall not extend to claims or liabilities arising out of the mere discovery of any existing Property condition unless such condition was aggravated by Buyer or Buyer's Agents or to the extent caused by the negligence or willful misconduct of Seller or Tenant. Seller shall, in accordance with the grant of access agreement executed by the Parties, provide access to the Property, or, in accordance with this Agreement, provide Property Documents (as later defined) so long as it is within Seller's reasonable control or possession, provided that Seller shall not be required to incur any cost or obligation to provide such access or information.

4.4 Delivery of Property Documents. Within five (5) business days after the Effective Date, Seller shall deliver to Buyer all of the documents described in the remaining subsections of this Section 4.4 (collectively, the "**Property Documents**") to the extent in Seller's possession or reasonable control, provided that Seller makes no representations or warranties of any kind with regard to the accuracy or completeness of any such Property Documents, except that Seller represents that Seller has not intentionally withheld any material information or intentionally withheld or altered any material Property Documents in Seller's possession or reasonable control.

4.4.1 Plans. Copies of all as-built plans and specifications for the Improvements, including without limitation the plans and specifications for and a complete description of all existing renovations and improvements to the Property, and as-built drawings for all underground utilities (collectively, the "**Plans**"), as available;

4.4.2 Soils and Water Quality Reports. Any soils report on the Land prepared at Seller's request or in the possession or control of Seller, including (if available) a report on compliance with any soils work or any water quality treatment/corrections recommended to be done;

4.4.3 Engineers' Reports. Any structural, mechanical, environmental, biological, tribal remains or geological reports concerning the Property which have been prepared at Seller's request or which are within Seller's possession or reasonable control;

4.4.4 Water wells/Water quality/Drainage reports/Violations. Copies of reports, citations or violations concerning any wells, water quality or volume, drainage, violations of drainage or other sewer/water issues related to the Property which have been prepared at Seller's request or which are within Seller's possession or reasonable control;

4.4.5 Licenses. Copies of any licenses, permits or certificates required by governmental authorities in connection with construction or occupancy of the Improvements, including, without limitation, building permits, certificates of completion, certificates of occupancy and environmental permits and licenses;

4.4.6 Inspection Reports. Copies of all written reports received by Seller within three (3) years prior to the Effective Date from Seller's insurance companies, any governmental agency or any other person or entity, which requires or demands correction of any condition, or requests modification in or termination of any uses of the Property, accompanied by Seller's summary of (a) any oral reports from such insurance companies or governmental agencies, and (b) the present status of any matter noted in any oral or written report.

4.5 Additional Documents and Information. From the Effective Date through the end of the Due Diligence Period, Seller shall provide Buyer the documents and information described in this Section 4.5 (collectively, the "**Additional Documents**"), provided that Seller makes no representations or warranties of any kind with regard to the accuracy or completeness of any such Additional Documents:

4.5.1 Leases/Agreements. Copies of all existing leases, irrigation, farming or occupancy agreements, licenses, written, and written descriptions of oral, easements, covenants, restrictions, agreements, contracts and other documents;

4.5.2 Other Documents. All data, correspondence, documents, agreements, waivers, notices, applications and other records with respect to the Property relating to transactions with taxing authorities, governmental agencies, utilities, vendors and others with whom Buyer may be dealing from and after the Closing Date; and

4.5.3 Requested Information. Such other documents and information concerning the Property as Buyer may reasonably request, provided that such documents or information is in Seller's possession.

4.5.4 Tenant Estoppel. Seller shall request an Estoppel certificate executed by Tenant before Closing, in form reasonably acceptable to Buyer, confirming the Dairy Lease is in full force and effect, the rent, security deposit, paid-through date, any defaults, any amendments or occupancy rights, and any claimed Tenant-owned improvements or personal property.

4.6 California Environmental Quality Act. Buyer and Seller understand, acknowledge, and agree that purchase of the Property is contingent upon Buyer's compliance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("**CEQA**").

4.6.1 From the Effective Date through the Closing Date, Buyer shall be entitled to conduct all actions necessary to obtain CEQA compliance for the acquisition of the Property ("**CEQA Compliance**").

4.6.2 Buyer's pursuit of the CEQA Compliance, and all discussions and negotiations with applicable government authorities relating thereto, shall be at the sole discretion

of Buyer. Seller shall reasonably cooperate with Buyer in conducting CEQA Compliance for Buyer's acquisition of the Property.

4.6.3 If on or before the Closing Date, Buyer's CEQA compliance review determines that the conveyance of the Property from Seller to Buyer is not permissible under CEQA, Buyer shall have the right to terminate this Agreement by written notice to Seller on or before the Closing Date. Upon such termination, this Agreement shall be of no further force or effect and neither Party shall have any further rights or obligations hereunder, except for those obligations that expressly survive termination.

5. INTENTIONALLY OMITTED.

6. "AS IS".

6.1 "As-Is." Buyer is, or prior to the Closing Date will be, familiar with the Property and has or will make such independent investigations as it deems necessary or appropriate concerning the use or sale of the Property, including but not limited to (i) any desired investigations or analysis of the economic value of the Property; (ii) the physical condition of the Improvements to the Property; (iii) the use of the Improvements for Buyer's intended purpose; (iv) the size, dimensions, location or topography of the Property; (v) the adequacy of water, sewage or any other utilities serving the Improvements; and (vi) all other matters concerning the use, development or sale of the Property. Buyer acknowledges that it has had adequate opportunity to review and inspect all aspects of the Property during the Due Diligence Period and Buyer is relying solely upon its own inspection, investigation and analysis of the foregoing matters in purchasing the Property and is not relying on any statement or representation by Seller, any employee, official or consultant of SELLER relating to the condition of the Property except as expressly made herein. Buyer further acknowledges that it is acquiring the Property "**AS IS," WHERE IS" and "SUBJECT TO ALL FAULTS" condition and without any representation or warranties, express or implied,** by Seller or Seller's representatives as to any matter. Seller affirms that it makes no representations or warranties of any kind as to the physical or environmental condition of the Property or in connection with any matter, report or information relating to the condition of the Property, its value, fitness, use, zoning, entitlements, the compliance with any laws, the existence of hazardous materials thereon, moratoriums, economic feasibility, developability or any other matter relating to Buyer's proposed use or development of the Property. Except in the case of Seller's intentional concealment or fraud, Buyer shall, upon the Close of Escrow, be deemed to have disclaimed any and all objections to the physical and environmental characteristics and conditions of the Property, including, without limitation, any hazardous materials located thereon and the condition of title thereto, whether or not such conditions would be disclosed by reasonable and diligent investigation.

7. RELEASE

7.1 From and after the Close of Escrow, Buyer, on behalf of itself and its successors, and assigns ("**Releasors**"), waives and releases Seller and its employees, agents, contractors, successors and assigns ("**Releasees**") from any and all claims, damages, losses, liabilities, fees, costs or expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen,

suspected or unsuspected, fixed or contingent, liquidated or unliquidated which Releasors have, own, hold, or claim to have had, owned, or held against Releasees arising from, based on, or relating to whether directly or indirectly, any facts, matters, circumstances, conditions or defects (whether patent or latent) of all or any kinds, related to, arising from, or based upon, whether directly or indirectly, the Property, including without limitation, the physical condition and quality of the Property or the presence of hazardous materials in, on, about or under the Property.

7.2 Buyer expressly waives any rights or benefits available to it with respect to the foregoing release under any provision of applicable law. By execution of this Agreement, Buyer acknowledges that it has had the opportunity to be advised by legal counsel and fully understands the foregoing Section 7, and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, and agrees that this release applies thereto, and expressly waives the benefits of the provisions of California Civil Code section 1542, which provides as follows:

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

The undersigned, being aware of this Code section, hereby expressly waives any rights it may have thereunder, as well as under any other statutes or common law principles of similar effect.

Buyer's Initials

7.3 The provisions of this Section 7 shall survive the Close of Escrow, and shall be binding upon Buyer.

8. TERMINATION, DEFAULTS, AND REMEDIES.

8.1 Exercise of Rights to Terminate. If Buyer elects to exercise its rights to terminate this Agreement and the Escrow as provided in Section 4.1 or 8 herein, Buyer may do so by giving written notice of such termination to Seller and Escrow Holder in accordance with the relevant sections of this Agreement. If Seller elects to exercise its rights to terminate this Agreement and the Escrow as provided in Section 8.2 herein, Seller may do so by giving written notice of such termination to Buyer and Escrow Holder, prior to the Close of Escrow. Upon such termination, all other obligations and liabilities of the Parties under this Agreement that do not specifically survive termination shall cease and terminate.

8.2 Buyer's Breach. If Buyer defaults on its obligation to perform under this Agreement and fails to cure such default within a reasonable period of time following written notice from Seller, then Seller, as its sole and exclusive remedy, may terminate this Agreement

and the Escrow by written notice to Buyer and Escrow Holder. In such event, Buyer shall pay any termination fees or charges to Escrow Holder and the Title Company (“**Termination Costs**”).

8.3 Seller’s Breach. In the event Seller breaches any obligation hereunder which Seller is to perform prior to the Close of Escrow, and fails to cure such breach within a reasonable period of time following written notice from Buyer, Buyer may, at Buyer’s option, (i) terminate this Agreement and the Escrow by giving written notice of such termination to Seller and Escrow Holder and, if desired by Buyer, initiate a limited action for damages to recover costs incurred by Buyer in connection with third party costs paid by Buyer to conduct its due diligence review, not to exceed the aggregate amount of \$10,000; or (ii) initiate an action for specific performance of this Agreement. Should Buyer elect to terminate this Agreement and the Escrow as provided herein, Seller shall pay all Termination Costs.

8.4 Notwithstanding the above, the Parties may agree to Close Escrow and/or extend the Closing Date regardless of material default or breach.

9. REPRESENTATIONS AND WARRANTIES.

9.1 Seller’s Representations and Warranties. Seller hereby represents and warrants to Buyer that the following statements are true and correct in all material respects as of the Effective Date, and shall be true and correct as of Close of Escrow:

9.1.1 Authority. Seller has or, subject to the satisfaction of all Seller’s Closing Conditions on or before Close of Escrow, will have full power and authority to sell and convey the Property to Buyer and to perform its obligations pursuant to this Agreement. This Agreement and all other documents delivered by Seller to Buyer now or at Close of Escrow have been or will be duly executed and delivered by Seller and are or will be legal, valid and binding obligations of Seller, sufficient to convey title to the Property to Buyer and are enforceable in accordance with their respective terms.

9.1.2 Title to the Property. There are no outstanding rights of first refusal or first look, options to purchase, rights of reverter, or claim of right relating to the transfer or sale of the Property or any interest therein. There is no person holding a security interest in the Property, and except as provided specifically hereinabove, no party has the right to consent or deny consent to the sale of the Property as contemplated herein. Seller has enjoyed the continuous and uninterrupted quiet possession, and, subject to the Dairy Lease, use and operation of the Property.

9.1.3 Litigation. There are no actions, suits, or legal proceedings pending or threatened against Seller as it relates to the Property.

9.1.4 No Breach. Subject to the satisfaction of all Seller’s Closing Conditions on or before Close of Escrow, the execution and delivery of this Agreement and the consummation of the transaction contemplated hereby will not violate or result in any breach of or constitute a default under or conflict with or cause any acceleration of any obligation with respect to any provision or restriction of any lien, lease, agreement, contract, instrument, or, according to the Seller’s knowledge, any order, judgment, award, decree, statute, regulation or ordinance, or any other restriction of any kind or character to which Seller is a party or by which Seller or the Property are bound.

9.2 Buyer's Representations and Warranties. Buyer hereby represents and warrants to Seller that the following statements are true and correct in all material respects as of the Effective Date, and shall be true and correct as of Close of Escrow:

9.2.1 Authorization. Buyer has or, on or before Close of Escrow, will have full power and authority to purchase the Property from Seller and to perform its obligations pursuant to this Agreement. This Agreement and all other documents delivered by Buyer to Seller now or at Close of Escrow have been or will be duly executed and delivered by Buyer and are or will be legal, valid and binding obligations of Buyer, enforceable in accordance with their respective terms.

9.2.2 No Breach. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby will not violate or result in any breach of or constitute a default under or conflict with or cause any acceleration of any obligation with respect to any provision or restriction of any lien, lease, agreement, contract, instrument, or, any order, judgment, award, decree, statute, regulation or ordinance, or any other restriction of any kind or character to which Buyer is a party or by which Buyer is bound.

9.3 Leases. Other than that certain County Lease Contract No. S2020-018 between County of San Bernardino (as lessor) and Hein Gerben & Ashley Hettinga (“**Tenant**”) under which Tenant operates the dairy farm and row crops located on a portion of the Property, there are no leases, subleases, rental agreements, licenses or other agreements for the lease or occupancy of any portion of the Property (the “**Dairy Lease**”). Seller represents, warrants and covenants to Buyer that (i) true, correct and complete copies of the Dairy Lease and all amendments, extensions and modifications thereto are included in the Additional Documents, (ii) Seller is the sole owner of the lessor's interest in the Dairy Lease; (iii) the Dairy Lease is in full force and effect and neither Seller or the respective Tenant thereunder is in default under any Dairy Lease, and no event has occurred and no condition exists which, with the giving of notice or the passage of time, or both, will constitute a default under the Dairy Lease. From and after the Effective Date, Seller covenants that it shall not modify, amend or waive any rights of lessor under the Dairy Lease or enter into any new leases or other occupancy agreements, in each case without Buyer's prior written consent, which consent Buyer may withhold in its sole and absolute discretion. Seller's interest as landlord in the Dairy Lease is assigned to Buyer as a part of this contemplated purchase and pursuant to the General Assignment.

9.4 Survival of Representations and Warranties. The representations and warranties of Seller and Buyer in this Section 9 of the Agreement shall be true in all material respects on and as of the Close of Escrow and shall survive the recordation of the Grant Deed and the Close of Escrow for 12 months.

10. SELLER COVENANT; HOLDBACK; BUYER RELEASE.

10.1 Seller's interest as landlord in the Dairy Lease is assigned to Buyer as a part of this contemplated purchase and General Assignment. Pursuant to this Section 10, post-Closing, Buyer shall be responsible as landlord for managing the Dairy Lease and potential Tenant Resolution, subject to the Tenant Holdback.

10.2 At Closing, Escrow Holder shall retain the Tenant Holdback from funds otherwise payable to Seller. The Tenant Holdback shall secure Seller's entire and complete obligations under this Section 10 and shall remain in Escrow until the final resolution of Tenant's occupancy, including, as applicable, final termination of the Dairy Lease, Tenant's surrender, removal, or eviction from the Property, removal of Tenant Personal Property, and final payment, waiver, release, expiration, or other resolution of all Tenant relocation-related claims, payments, assistance, or obligations arising from or relating to the Dairy Lease, Tenant's occupancy, or termination of Tenant's occupancy ("**Tenant Resolution**"). If Tenant Resolution has not concluded within two (2) years after the Close of Escrow, subject to any delays caused by force majeure or court delay, provided Buyer is diligently pursuing Tenant Resolution, Escrow Holder shall release any remaining balance of Tenant Holdback to Seller. The parties may mutually agree in the form of an escrow instruction to extend the two (2)-year period for a reasonable amount of time if Buyer is diligently prosecuting Tenant Resolution in which case the release in the preceding sentence shall not apply. Seller's Director of the Real Estate Services Department shall have the authority on behalf of Seller to provide Seller's agreement to extend the two (2)-year period.

10.3 Seller shall indemnify, hold harmless, and reimburse City, and its officials, officers, employees, agents, and attorneys, from and against any and all claims, demands, liabilities, damages, losses, judgments, awards, costs, and expenses, including reasonable attorneys' fees, court costs, or consultant fees associated with unlawful detainer or other eviction proceedings, obtaining vacant possession, and any Tenant relocation arising out of or relating to (a) the Dairy Lease, (b) Tenant's occupancy of the Property, (c) any holdover, removal, eviction, unlawful detainer, or termination of Tenant's occupancy, or (d) any claim by Tenant or any governmental entity that City is responsible for relocation assistance, moving payments, advisory assistance, or similar compensation in connection with the termination of the Dairy Lease, delivery of vacant possession, or removal of Tenant from the Property. This indemnity applies regardless of whether such claim arises before or after Closing and regardless of whether City undertakes post-Closing efforts to obtain possession from Tenant. Notwithstanding the above: (a) Seller's full indemnity and reimbursement obligations stated herein shall be limited by the total aggregate liability stated in Section 10.5 below; (b) the Seller's obligations under this Section 10.3 do not apply to the Buyer's "sole negligence" or "willful misconduct" within the meaning of Civil Code section 2782; and (c) the indemnity, hold harmless, and reimbursement obligations in this section shall expire two (2) years after the Close of Escrow. The parties may mutually agree in the form of an escrow instruction to extend the two (2)-year period for a reasonable amount of time if Buyer is diligently prosecuting Tenant Resolution. Seller's Director of the Real Estate Services Department shall have the authority on behalf of Seller to provide Seller's agreement to extend the two (2)-year period. For avoidance of doubt, routine property management expenses unrelated to Tenant Resolution are not included as part of Seller's obligations under this Section 10.3.

10.4 Upon Buyer's written demand to Escrow Holder, with a copy to Seller and reasonable supporting documentation, Escrow Holder shall disburse to Buyer from the Tenant Holdback the amount of any actual costs, expenses, liabilities, or payments incurred or paid by Buyer in connection with any matter covered by this Section 10. Escrow Holder shall release any remaining balance of the Tenant Holdback to Seller only upon joint written instruction from Buyer and Seller confirming Tenant Resolution and satisfaction of all reimbursable costs under this Section 10, or pursuant to a final non-appealable court order. Escrow Holder shall have no duty to

determine whether Tenant Resolution has occurred or whether any claimed amount is payable except in accordance with this Section 10.

10.5 Seller's total aggregate liability under this Section, including all Buyer's defense costs, reimbursement obligations, settlements, judgments, and expenses, shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000), which amount shall be secured by the Tenant Holdback. Notwithstanding anything to the contrary in this Agreement, including Sections 2.14 and 7, this Section shall survive Closing until Tenant Resolution and final disbursement of the Tenant Holdback. For avoidance of doubt, the cap in this Section limits only Seller's liability under this Section and does not limit Buyer's liability, if any, in excess of \$250,000 regarding the other obligations under this Agreement.

10.6 From and after the Close of Escrow, subject to the Tenant Holdback and Sections 10.2 through 10.5, Buyer, on behalf of itself and its successors, and assigns ("**Releasors**"), waives and releases Seller and its employees, agents, contractors, successors and assigns ("**Releasees**") from any and all claims, damages, losses, liabilities, fees, costs or expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, fixed or contingent, which Releasors have, own, hold, or claim to have had, owned, or held against Releasee arising from, based on, or relating to, whether directly or indirectly, the Tenant Resolution of the Dairy Lease, in excess of the Tenant Holdback.

10.7 Subject to the Tenant Holdback and Sections 10.2 through 10.6, Buyer expressly waives any rights or benefits available to it with respect to the foregoing release under any provision of applicable law. By execution of this Agreement, Buyer acknowledges that it has had the opportunity to be advised by legal counsel and fully understands the foregoing Section 10.6, and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, and agrees that this release applies thereto, and expressly waives the benefits of the provisions of California Civil Code section 1542, which provides as follows:

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

The undersigned, being aware of this Code section, hereby expressly waives any rights it may have thereunder, as well as under any other statutes or common law principles of similar effect.

Buyer's Initials

10.8 The provisions of this Section 10 shall survive the Close of Escrow, and shall be binding upon the Parties.

11. PRORATIONS. All receipts and disbursements of the Property will be prorated as of 11:59 p.m. on the day immediately preceding the Closing Date. Not less than five business days prior to the Closing, Seller shall submit to Buyer for its approval a tentative proration schedule showing the categories and amounts of all prorations proposed, including all rents and operating expenses. Security deposits shall be credited to Buyer from Seller proceeds and shall be held by Buyer as Tenant's security deposit under the Dairy Lease with no further obligation to Seller regarding the use or return of the security deposit to Tenant. The parties shall agree on a final proration schedule prior to the Closing and shall deliver the same to Escrow Holder. If following the Closing either party discovers an error in the proration statement, it shall notify the other party and the parties shall promptly make any adjustment required. The parties agree that any trailing bills that pertain to the Property operations before the Closing Date, which are not available as of Closing, may be presented to Buyer for proration and reimbursement up to forty five (45) days after Closing. Failure to provide any bills by such date shall be a waiver by Seller of such reimbursement and Buyer shall have no further obligation for any such bills and Property expenses. This section 11 shall survive Closing.

12. MISCELLANEOUS.

12.1 Notices and Demands. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, or (iii) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the date of receipt or refusal to accept receipt, as evidenced by the return receipt card. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent on the date of the attempted delivery. A courtesy copy of all notices or other communications shall also be concurrently sent via email, provided that such courtesy email is not intended nor shall it be deemed to substitute as the effective means of notice delivery or alter the effective date of such notice.

To Buyer: City of Ontario
Attn: City Manager
303 E. B Street
Ontario, CA 91764

With a copy to: Best Best & Krieger LLP
Attn.: Ruben Duran
2855 E. Guasti Rd., Suite 400
Ontario, CA 91761
Ruben.Duran@bbklaw.com

To Seller: San Bernardino County
c/o Real Estate Services Department
Attn: Brandon Ocasio, Manager of Acquisitions
385 North Arrowhead Avenue, 4th Floor
San Bernardino, CA 92415
Courtesy copy via email at:
brandon.ocasio@res.sbcounty.gov

To Escrow Holder: Chicago Title Company
Pam Fry (909) 941-6494
pam.fry@ctt.com
4911 Birch Street
Newport Beach, CA 92660

12.2 Brokers and Sales Commissions. Each party represents to the other party that there is no broker representing such party in the current transaction. Each Party agrees to indemnify and hold the other harmless from and against all liabilities, costs, damages, and expenses, including, without limitation, reasonable attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay any additional broker's commission and/or finder's fee.

12.3 Reserved.

12.4 Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

12.5 Time of Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

12.6 Calculation of Time Periods. Unless otherwise specified, in computing any period of time described herein, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday for national banks or the office of the County Recorder in the location where the Property is located, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday, or legal holiday. The last day of any period of time described herein shall be deemed to end at 5:00 p.m. California Time. Any reference to "**Business Day(s)**" shall mean a day other than a Saturday, Sunday or Saturday, Sunday or legal holiday for national banks or the office of the County Recorder in the location where the Property is located.

12.7 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. Each counterpart may consist of a number of copies of this Agreement, each signed by less than all, but together signed by all, of the Parties. A copy of this Agreement, with signature pages bearing original signatures or signatures delivered by a Party by facsimile or e-

mail transmission of an Adobe® file format document (also known as a PDF file) shall, in each such instance, be deemed to be, and shall constitute and be treated as, an original signed document or counterpart, as applicable, which signature shall be binding on the Party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

12.8 Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

12.9 No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties to, any person or entity other than the Parties.

12.10 Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference.

12.11 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

12.12 Applicable Law. All questions with respect to this Agreement, and the rights and liabilities of the Parties and venue hereto, shall be governed by the laws of the State of California. Any and all legal actions sought to enforce the terms and provisions of the Agreement shall be brought in the courts of the County of San Bernardino.

12.13 Assignment. Neither Buyer nor Seller shall have the right to assign this Agreement without the written consent of the other party.

12.14 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

12.15 Ratification. This Agreement is subject to the approval and ratification by the Buyer's and the Seller's respective governing body or its delegated representative.

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

12.17 Construction. This Agreement will be liberally construed to effectuate the intention of the Parties with respect to the transaction described herein. In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, neither this Agreement nor any uncertainty or ambiguity herein will be construed or resolved against either Party (including the Party primarily responsible for drafting and preparation of this Agreement), under any rule of construction or otherwise, it being expressly understood and agreed that the Parties have participated equally or have had an equal opportunity to participate in the drafting thereof.

12.18 Legal Fees to Enforce Agreement. In the event of the bringing of any action or proceeding to enforce or construe any of the provisions of this Agreement, each Party, including the prevailing Party in such action or proceeding, whether by final judgment or out of court settlement, shall be responsible for its own costs and expenses of suit, including all attorney's fees and other costs.

12.19 Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or promise made by either Party hereto, or by or to an employee, officer, agent or representative of either Party, shall be of any effect unless it is in writing and executed by the Party to be bound thereby.

12.20 Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the Parties hereto.

12.21 Recitals. The Recitals set forth at the beginning of this Agreement are hereby incorporated into this Agreement as if fully set forth herein.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth below next to their respective signatures.

Date: _____, 2026

BUYER:

CITY OF ONTARIO,
a California municipal corporation

By: _____
Scott Ochoa
City Manager

ATTEST:

Claudia Isbell, Assistant City Clerk

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: _____
Ruben Duran
City Attorney

SIGNATURES CONTINUED ON FOLLOWING PAGE

Date: _____, 2026

SELLER:

SAN BERNARDINO COUNTY,
a political subdivision of the State of
California

By: _____
Name: Dawn Rowe

Its: Chair, Board of Supervisors

APPROVED AS TO FORM:

By: _____
John Tubbs, Deputy County Counsel

ESCROW AGENT:

The undersigned Escrow Holder hereby accepts the foregoing Agreement of Purchase and Sale and Joint Escrow Instructions, agrees to act as Escrow Holder under this Agreement in strict accordance with its terms, agrees to insert as the “Effective Date” on page 1 hereof, if not otherwise dated, the latest date this Agreement was signed by Seller and Buyer and delivered to Escrow Holder, and agrees to comply with the applicable provisions of the Internal Revenue Code with respect to the transactions contemplated hereby.

By _____

Pamela Fry, Escrow Officer

Date: _____, 2026

LIST OF EXHIBITS

- Exhibit "A" - Legal Description of Property
- Exhibit "B" - Personal Property Inventory
- Exhibit "C" - Form of Grant Deed
- Exhibit "D" - Form of Bill of Sale
- Exhibit "E" - Form of General Assignment

EXHIBIT “A”

Legal Description of Property

Lots 5, 6, 11, 12, 21, 22, 27 and 28, Section 20, Township 2 South, Range 7 West, San Bernardino Base and Meridian, according to the map of subdivision of Rancho Santa Ana Del Chino, as per plat recorded in Book 6 of Maps, Page 15, records of said County.

APNs: 1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01, 1054-301-02

EXHIBIT "B"

Personal Property Inventory

Equipment List

Asset No	Quantity	Asset Description	Acquisition Date	Acquisition Cost
100000010177-0	1	BURRELL PLATE COOLER	01/01/1994	\$8,000.00
100000010178-0	1	BURRELL SILO MILK TA	01/01/1994	\$6,500.00
100000010179-0	1	KATO DIESEL GENERATO	01/01/1994	\$31,000.00
100000010180-0	1	VANDENBERG BARN FEED	01/01/1994	\$6,000.00
100000010177-0	1	BURRELL PLATE COOLER	01/01/1994	\$8,000.00
100000010178-0	1	BURRELL SILO MILK TA	01/01/1994	\$6,500.00
100000012843-0	1	MUELLER CHILLER #C21	05/01/1993	\$15,000.00

EXHIBIT “C”

Form of Grant Deed

[Attached behind this page]

Recording requested by:

City of Ontario
City Manager's Office
303 East "B" Street
Ontario, CA 91764

WHEN RECORDED MAIL TO:

City of Ontario
Attn.: City Clerk
303 East "B" Street
Ontario, CA 91764

APN:

**EXEMPT RECORDING FEES GOVERNMENT CODE SECTION 6101 & 27383
DOCUMENTARY TRANSFER TAX \$ NONE
Per Gov't Code 11922**

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

SAN BERNARDINO COUNTY, a political subdivision of the State of California (hereinafter referred to as "**Grantor**") hereby grants to the **CITY OF ONTARIO**, a California municipal corporation ("**City**"), the following described real property located in the County of San Bernardino, State of California, described as follows:

SEE LEGAL DESCRIPTION AND DEPICTION ATTACHED HERETO AND
MADE A PART HEREOF IN EXHIBIT "A":

GRANTOR:

SAN BERNARDINO COUNTY,
a political subdivision of the State of California

By: _____

Name: _____

Its: _____

EXHIBIT A
Property Legal Description

Lots 5, 6, 11, 12, 21, 22, 27 and 28, Section 20, Township 2 South, Range 7 West, San Bernardino Base and Meridian, according to the map of subdivision of Rancho Santa Ana Del Chino, as per plat recorded in Book 6 of Maps, Page 15, records of said County.

APNs: 1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01, 1054-301-02

ALL-PURPOSE ACKNOWLEDGMENT NOTARY FOR CALIFORNIA

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

STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

On _____, before me, _____,
personally appeared _____,

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

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

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- .. Individual
- .. Corporate Officer

Title(s)

Title or Type of Document

- .. Partner(s)
- .. Limited
- .. General

Number Of Pages

- .. Attorney-In-Fact
- .. Trustee(s)
- .. Guardian/Conservator
- .. Other:

Date Of Document

Signer is representing:
Name Of Person(s) Or Entity(ies)

Signer(s) Other Than Named Above

CITY OF ONTARIO
CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed to which this Certificate of Acceptance is attached:

From: SAN BERNARDINO COUNTY, a political subdivision of the State of California
 (“**Grantor**”)

To: City of Ontario, a California municipal corporation (“**Grantee**”)

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

Dated: _____

City of Ontario,
a California municipal corporation

By: _____
Scott Ochoa, City Manager

EXHIBIT “D”

Form of Bill of Sale

This Bill of Sale (the “Bill of Sale”) is made as of _____, 20____, by SAN BERNARDINO COUNTY, a political subdivision of the State of California (the “**Transferor**”).

FOR VALUABLE CONSIDERATION, as set forth in that certain Agreement for Purchase and Sale and Joint Escrow Instructions dated _____ (the “**Agreement**”), Transferor hereby sells, transfers, assigns and delivers to the CITY OF ONTARIO, a California municipal corporation (“**Transferee**”), any and all Transferor’s rights, title, and interests to the Transferor-owned personal property (the “**Personal Property**”) located on that certain improved real property as defined in said Agreement, which is more specifically described in the Personal Property Inventory attached hereto as Schedule 1 (“**Personal Property**”), provided, however, such sale, transfer, and assignment shall not include any rights or claims accrued prior to the date hereof which Transferor may have against any person with respect to the Personal Property except as provided in the Agreement.

1. Transferor conveys the Personal Property in its AS-IS, WHERE-IS condition without any warranty of any kind and Transferee hereby acknowledges and agrees that Transferor has made absolutely no warranties or representations of any kind or nature regarding title to or condition of the Personal Property.

2. This Bill of Sale shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns. This Bill of Sale may be executed in counterparts, each of which shall be deemed an original, and all of which shall be taken together be deemed one document. This Bill of Sale shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

DATED: _____, 2026.

TRANSFEROR:

SAN BERNARDINO COUNTY, a political subdivision of the State of California

By _____ [Exhibit Only – do not Execute]

Its _____

ACKNOWLEDGED & AGREED BY TRANSFEREE:

CITY OF ONTARIO, a California municipal
corporation

By _____ [Exhibit Only – do not Execute] _____

Its _____

Schedule 1

Personal Property Inventory

All Personal Property owned by Seller existing at the Property as of the Closing Date.

EXHIBIT "E"

Form of General Assignment

This General Assignment (the "**Assignment**") is dated _____ ("**Assignment Date**") and is entered by SAN BERNARDINO COUNTY, a political subdivision of the State of California (the "**Assignor**") and the CITY OF ONTARIO, a California municipal corporation ("**Assignee**").

Pursuant to that certain Agreement of Purchase and Sale and Joint Escrow Instructions dated _____, 20__ (the "**Agreement**"), Assignee has acquired from Assignor the Property on the Assignment Date. Capitalized terms used herein shall have the meanings ascribed to them in the Agreement.

In consideration of the acquisition of the Property by Assignee and other good and valuable consideration, the mutual receipt and legal sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Assignment. Assignor hereby assigns, transfers and sets over unto Assignee, without representation or warranty of any kind, and Assignee hereby accepts from Assignor, any and all of Assignor's right, title and interest in and to all of the following: the Dairy Lease (as defined under the Agreement), licenses, permits, warranties, and guarantees owned by Assignor as they relate to the Property ("**Intangible Property**"); provided, however, such transfer, assignment and sale shall not include any rights or claims accruing prior to the Assignment Date which Assignor may have against any person with respect to the Intangible Personal Property.
2. Dispute Costs. In the event of any dispute between Assignor and Assignee arising out of the obligations of the parties under this Assignment or concerning the meaning or interpretation of any provision contained herein, each party, including the prevailing party, must bear its own costs and expenses of the action or suit and any appeals therefrom, and enforcement of any judgment in connection therewith, including attorneys' fees, accounting fees, and any other professional fees resulting therefrom.
3. No Third Party Beneficiaries. Except as otherwise expressly set forth herein, Assignor and Assignee do not intend, and this Assignment shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Assignment.
4. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, executors, administrators, successors and assigns. This Assignment may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall be deemed one document. This Assignment shall be governed by, interpreted under, and construed and enforceable in accordance with, the laws of the State of California.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first above written.

ASSIGNOR:

SAN BERNARDINO COUNTY,
a political subdivision of the State of California

By _____ [Exhibit Only – do not Execute] _____

Name: _____

Its _____

ASSIGNEE:

CITY OF ONTARIO,
a California municipal corporation

By _____ [Exhibit Only – do not Execute] _____

Name: _____

Its _____