

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is entered into as of the date the last of the parties executes this Agreement (“**Effective Date**”), between **Patrick Kelley, a single man and Deborah C Jacobs, widow, each as to an undivided 50% interest as tenants in common (collectively, “SELLER”)**, and **SAN BERNARDINO COUNTY (“BUYER”)**.

RECITALS

- A. The SELLER is the owner of the fee simple interest in certain real property containing approximately 5,662 square feet unimproved land known as Lot 45 of Tract No. 2260, Valley of the Falls No. 2, in the County of San Bernardino, State of California (APN 0323-382-26), as more particularly described in the legal description attached hereto as Exhibit “A” (“Property”).
- B. BUYER desires to acquire the Property.
- C. SELLER and BUYER desire to enter into this Agreement for BUYER to purchase the Property from SELLER on the terms and conditions as more specifically set forth in the Agreement.

AGREEMENT

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

1. PURCHASE AND SALE OF THE PROPERTY.

1.1 Subject to all of the terms, conditions, and provisions of this Agreement, and for the consideration herein set forth, the SELLER agrees to sell to BUYER, and BUYER agrees to purchase from the SELLER, the Property as described in the legal description attached hereto in Exhibit “A”.

1.2 Amount of Purchase Price. The purchase price payable by BUYER to SELLER for the Property, including but not limited to all of SELLER’S right, title, and interest to the Property, is the total sum of NINE THOUSAND and NO/100 DOLLARS (\$9,000.00) (“**Purchase Price**”), which shall be deposited with Escrow Holder in accordance with this Agreement.

1.3 Consideration Payment. Within fifteen (15) business days following the opening of escrow, BUYER shall deliver to SELLER the sum of ONE HUNDRED and NO/100 DOLLARS (\$100.00) (the “**Consideration Payment**”), as 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 Consideration Payment is in addition to and independent of any other consideration or payment provided for in this Agreement, is not

applicable to the Purchase Price. The Consideration Payment is non-refundable and shall be retained by SELLER notwithstanding any other provision of this Agreement.

1.4 Within ten (10) business days following the Effective Date of this Agreement, BUYER shall deliver to Golden State Escrow, Inc., Attn: Kristin M. Hammon, 10630 Town Center Drive, Suite 119, Rancho Cucamonga, CA 91730, (“**Escrow Holder**”) an executed copy of this Agreement.

2. DUE DILIGENCE REVIEW.

2.1 Inspections. BUYER and its agents, contractors, consultants, employees, representatives, engineers, and designees (collectively, “**BUYER’s Agents**”) shall have reasonable access to the Property at all reasonable times until the expiration of the Due Diligence Period (or earlier termination of this Agreement) for the purpose of conducting tests and inspections of the Property, including surveys and architectural, engineering, geotechnical, and environmental inspections and tests. The “**Due Diligence Period**” shall mean the forty-five (45) business day period following the Effective Date. All inspections shall be performed by BUYER at BUYER’s sole cost and expense. Within two (2) days after the Effective Date, SELLER shall deliver to BUYER copies of all plans, surveys, specifications, studies, reports, test results, and other documents pertaining to the physical, geological, or environmental condition of the Property that is in the possession of SELLER (“**Property Documents**”). BUYER acknowledges that SELLER has not made nor makes any warranty or representation regarding the truth, accuracy, or completeness of the Property Documents or the source(s) thereof. SELLER has not undertaken any independent investigation as to the truth, accuracy, or completeness of the Property Documents and any Property Documents it provides to BUYER are provided solely as an accommodation to BUYER and it is BUYER’s responsibility to verify the accuracy, completeness, and veracity of the Property Documents. SELLER expressly disclaims any and all liability for representations or warranties, express or implied, statements of fact, and other matters contained in such information, or for omissions from the Property Documents, or in any other written or oral communications transmitted or made available to BUYER. BUYER shall rely solely upon its own investigation with respect to the Property, including, without limitation, the Property’s physical, environmental, and economic condition including the presence of Hazardous Materials, compliance or lack of compliance with any law, ordinance, order, permit, or regulation or any other attribute or matter relating thereto.

2.2 Natural Hazard Disclosure. BUYER shall bear the cost of and hereby instructs Escrow Holder, or an affiliate thereof (who, in such capacity, is herein called the “**Natural Hazard Service**”), to examine the maps and other information specifically made available to the public by government agencies for the purposes of providing a Natural Hazard Disclosure Report for the Property with mandated natural hazard property disclosures. The written report prepared by the Natural Hazard Service shall be provided to BUYER.

2.3 Due Diligence Termination Right. If BUYER is not satisfied with the Property for any reason, BUYER may terminate this Agreement by giving written notice of termination to SELLER and Escrow Holder (“**Due Diligence Termination Notice**”) on or before the expiration of the Due Diligence

Period. In the event that BUYER fails to deliver BUYER's Due Diligence Termination Notice on or before the expiration of the Due Diligence Period, BUYER shall have conclusively been deemed to have approved its due diligence investigation of the Property and waived its right to terminate this Agreement pursuant to this Section 2.3.

2.4 Review of Title. Following the Effective Date of this Agreement, BUYER shall obtain its own preliminary title report issued by a title company of BUYER's choice ("**Title Company**") and such Title Company shall provide all underlying title documents (collectively, the "**Preliminary Title Report**") and BUYER shall have the right to obtain a survey of the Property from a licensed surveyor sufficient to obtain an ALTA title insurance policy ("**Survey**"). The BUYER'S review period for the Preliminary Title Report and the Survey shall mean the period from the Effective Date through the date that is twenty (20) days after the Effective Date ("**BUYER's Title Review Period**"). At any time during BUYER'S Title Review Period, BUYER shall notify SELLER in writing ("**BUYER's Title Notice**") of any objections BUYER may have to title exceptions or other matters contained in the Preliminary Title Report or Survey ("**Title Objections**"). If BUYER does not give such notice by the expiration of BUYER's Title Review Period, such failure shall conclusively be deemed to be BUYER's approval of those matters. If BUYER does timely provide BUYER's Title Notice with Title Objections, SELLER shall have five (5) business days after receipt thereof to notify BUYER that SELLER (a) will endeavor to cause or (b) elects not to cause any or all of the Title Objections disclosed therein to be removed or insured over by the Title Company in a manner reasonably satisfactory to BUYER. SELLER's failure to notify BUYER within such five (5) business day period as to any Title Objections that SELLER is willing to endeavor to cure or cause to be insured over shall be deemed an election by SELLER not to pursue such endeavor to remove or have the Title Company insure over such Title Objections. If SELLER notifies or is deemed to have notified BUYER that SELLER shall not endeavor to remove nor have the Title Company insure over any or all of the Title Objections, BUYER shall have five (5) business days after the expiration of SELLER's (5) business day period to respond to either (a) terminate this Agreement or (b) waive such Title Objections and proceed to Closing, without any reduction in the Purchase Price on account of such Title Objections. If BUYER does not give notice within said period, BUYER shall be deemed to have elected to waive the Title Objections pursuant to this Section 2.4.

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

3. ESCROW.

3.1 Opening of Escrow; Closing Date. Closing of the sale of the Property shall take place through an escrow ("**Escrow**") to be established with the Escrow Holder referred to in Section 1.4. Escrow shall be deemed open upon delivery by BUYER of a fully executed copy of this Agreement to Escrow Holder. Upon receipt of a fully executed copy of this Agreement, Escrow Holder shall execute the Escrow Holder's acceptance attached hereto and notify SELLER and BUYER of the escrow number

it assigns to the Escrow. The Close of Escrow shall occur as soon as reasonably practicable following the expiration of the Due Diligence Period, but in no event later than the date that is fifteen (15) days following the expiration of the Due Diligence Period (“**Closing Date**”). The terms “**Close of Escrow**” and/or the “**Closing**” shall mean the consummation of the transactions contemplated by this Agreement to occur through the Escrow including SELLER conveyance of the Property to BUYER.

3.2 Escrow Instructions. This Agreement, together with any standard instructions of Escrow Holder, shall constitute the joint escrow instructions of BUYER and SELLER to Escrow Holder as well as an agreement between BUYER and SELLER. In the event of any conflict between the provisions of this Agreement and Escrow Holder’s standard instructions, this Agreement shall prevail.

3.3 Deliveries by SELLER. On or before 12:00 noon Pacific Time on the business day preceding the scheduled Closing Date, SELLER shall deliver to Escrow Holder: (i) the Grant Deed in the form attached hereto as Exhibit “B” (“**Grant Deed**”), executed and acknowledged by SELLER; (ii) the escrow costs and prorations for which SELLER is responsible pursuant to this Agreement; (iii) an original of the Closing Statement described in Section 3.5, executed by SELLER; (iv) all other documents reasonably required by Escrow Holder to carry out and close the Escrow pursuant to this Agreement.

3.4 Deliveries by BUYER. On or before 12:00 noon Pacific Time on the business day preceding the scheduled Closing Date, BUYER shall deliver to Escrow Holder: (i) the Purchase Price; (ii) the escrow costs and prorations for which BUYER is responsible pursuant to this Agreement; (iii) an original of the Closing Statement described in Section 3.5, executed by BUYER; (iv) all other documents reasonably required by Escrow Holder to carry out and close the Escrow pursuant to this Agreement.

3.5 Closing Statement. No later than four (4) business days prior to the Closing Date, Escrow Holder shall prepare for approval by BUYER and SELLER a closing statement (“**Closing Statement**”) on Escrow Holder’s standard form indicating, among other things, Escrow Holder’s estimate of all closing costs and prorations made pursuant to this Agreement.

3.6 Closing, Recording and Disbursements. On the Closing Date, and provided all of the SELLER Conditions to Closing and BUYER Conditions to Closing set forth in Sections 3.10.1 and 3.10.2 of this Agreement have been satisfied or waived in writing by the appropriate party, Escrow Holder shall take the following actions:

(a) *Recording*. Escrow Holder shall cause the Grant Deed to be recorded with the Recorder’s Office in San Bernardino County, California.

(b) *Delivery of Documents and Funds*. Escrow Holder shall deliver to BUYER all of the items listed in Section 3.3 above which were delivered by SELLER to Escrow, except that Escrow Holder shall be instructed to record the original Grant Deed with the Recorder’s Office in San Bernardino County, California upon Close of Escrow. Escrow Holder shall deliver the Purchase Price to SELLER by wire transfer as provided in written instructions to be furnished to Escrow Holder by SELLER prior to the Close of Escrow, together with one duplicate original of all of the items listed in Section 3.4 above on the Close of Escrow.

3.7 Taxes. Real property taxes will not be prorated between SELLER and BUYER in Escrow. Upon recordation of the Grant Deed, BUYER will request cancellation of the real property taxes for the Property pursuant to California Revenue and Taxation Code Section 4986. If current taxes have not yet been paid as of the Closing Date, then at Closing SELLER shall pay through Escrow or out of SELLER's proceeds, the full amount of the installment applicable for the period in which Closing occurs. SELLER shall be entitled to a refund of any excess payment made to the taxing authority on account of the Property, including any taxes paid by SELLER and applicable to any period from and after the Closing Date. The taxing authority will notify SELLER of any refund due SELLER resulting from the subject acquisition after a review and any subsequent proration of the property tax assessment by the County Assessor. SELLER retains the right, following close of escrow, to apply to the County Tax Collector for refund pursuant to Revenue and Taxation Code Section 5096.7.

3.8 Payment of Costs. BUYER shall pay for the premium for the standard coverage owner's Title Policy referred to in Section 3.10.2(b), with the cost of any endorsements or extended coverage to be as set forth therein. Any recording fees for the documents to be recorded under this Agreement shall be paid by the BUYER. If the Close of Escrow has not occurred by the Closing Date by reason of a default hereunder, the defaulting party shall bear all Escrow cancellation charges. All other costs and expenses of Escrow not specifically allocated in this Agreement shall be allocated between BUYER and SELLER in accordance with customary practice in the county in which the Property is located. BUYER and SELLER shall each be responsible for their respective attorneys' fees and costs for this Agreement.

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

3.10 Conditions to Close of Escrow.

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

(a) *Delivery of Document and Funds.* BUYER shall have timely executed and deposited into Escrow all escrow and closing documents required to be submitted by BUYER in order to accomplish the close of Escrow for the Property. BUYER shall have deposited with Escrow Holder the Purchase Price, the escrow and closing costs for which BUYER is responsible to pay, and all other sums required of BUYER by this Agreement.

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

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

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

(a) *Delivery of Documents and Funds.* SELLER shall have executed and deposited into Escrow the Grant Deed, the escrow and closing costs for which SELLER is responsible to pay, and all other sums required of SELLER by this Agreement.

(b) *Title Policy.* The Title Company is unconditionally and irrevocably committed to issue to BUYER at Closing a CLTA standard coverage owner's title policy, or, upon BUYER's request, an ALTA extended coverage owner's policy of title insurance (provided BUYER shall be responsible for any survey costs associated therewith and BUYER must deliver an ALTA survey acceptable to the Title Company for the issuance of such extended coverage at least ten (10) business days prior to the Closing Date and BUYER shall be responsible for the additional cost of the extended coverage), insuring BUYER's title to the Property in the amount of the Purchase Price, subject only to the following (collectively, the "**Approved Title Exceptions**"): (i) the standard exceptions and exclusions from coverage contained in such form of the policy; (ii) real estate taxes not yet due and payable; (iii) matters created by, through, or under BUYER; (iv) items disclosed by the Survey and Preliminary Title Report (including any supplements) and approved or deemed approved by BUYER pursuant to the title review provisions in Section 2.4, or, if BUYER fails to obtain the Survey, items which would be disclosed by an accurate, updated survey of the Property or a physical inspection of the Property; and (v) any Title Objections that neither SELLER nor the Title Company has agreed to remove from title or insure over ("**Title Policy**"). The issuance of an ALTA extended coverage policy shall not be a condition precedent to BUYER's obligation to close the Escrow, and BUYER shall not object to the Closing based upon an inability to obtain, or any delays in obtaining, such coverage. In addition, and without limiting the foregoing, the issuance of any

particular title endorsements requested by BUYER, at BUYER's sole cost and expense, shall not be a condition precedent to BUYER's obligation to close this Escrow and BUYER acknowledges that BUYER is solely responsible for ascertaining the availability of any such endorsements prior to the end of the Due Diligence Period. If endorsements are required to cure defects in title and SELLER has agreed to provide such endorsements as a means of curing such title defects, then SELLER shall pay for such endorsements.

(c) *Contract Termination.* SELLER shall have cancelled and terminated all agreements, contracts and leases relating to the Property with service providers, tenants, or as otherwise required pursuant to this Agreement, and provided BUYER with written evidence of same.

(d) *Condition and Possession.* The condition of the Property on the Closing Date shall be in the substantially the same condition as it existed at the time of the Effective Date, as determined by BUYER. At least ten (10) days prior to the Closing Date, SELLER shall remove all of SELLER's personal property and all debris and trash from the Property.

(e) *CEQA.* The requirements under the California Environmental Quality Act, as amended, shall have been complied with.

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

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

(h) *Encumbrances.* There are no encumbrances on the Property except for Approved Title Exceptions.

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

3.10.4 Waiver. SELLER may at any time or times, at its election, waive any of the SELLER Conditions to Closing set forth in Section 3.10.1 above to its obligations hereunder, but any such waiver shall be effective only if contained in writing and signed by SELLER and delivered to BUYER. BUYER may at any time or times, at its election, waive any of the BUYER Conditions to Closing set forth in Section 3.10.2 above to its obligations hereunder, but any such waiver shall be effective only if contained in writing and signed by BUYER and delivered to SELLER.

3.10.5 Escrow Termination. In the event each of the SELLER Conditions to Closing set forth in Section 3.10.1 is not fulfilled on the Closing Date or such earlier time period as provided for herein or waived by SELLER pursuant to Section 3.10.4, and provided SELLER is not in default of this Agreement, SELLER may at its option terminate this Agreement and the Escrow opened hereunder. In

the event that each of the BUYER Conditions to Closing set forth in Section 3.10.2 is not fulfilled on the Closing Date or such earlier time period as provided for herein or waived by BUYER pursuant to Section 3.10.4, and provided BUYER is not in default of this Agreement, BUYER may at its option terminate this Agreement and the Escrow opened hereunder. No termination under this Agreement shall release either party then in default from liability for such default.

4. REPRESENTATIONS AND WARRANTIES.

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

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

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

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

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

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

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

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

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

SELLER makes no representation or warranty of any kind as to the physical or environmental condition of the Property or in connection with any matter, report, or information relating to the condition of the Property, its value, fitness, use, zoning, entitlements, the existence of Hazardous Materials thereon, moratoriums, economic feasibility, developability, or any other matter relating to BUYER's proposed use

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

Except for claims for a breach of the representations and warranties of SELLER provided in this Agreement and claims under CERCLA, BUYER for itself and on behalf of each of its successors (collectively, the "Releasers") by this general release of known and unknown claims (this "Release") hereby irrevocably and unconditionally releases and forever discharges SELLER and its officers, officials, employees, agents, and representatives (collectively, the "Releasees") or any of them, from and against any and all claims, damages, losses, costs, liabilities, fees or expenses, of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, fixed or contingent, liquidated or unliquidated, which any of the Releasers now have, own, hold, or claim to have had, owned, or held, against any of the Releasees arising from, based upon or related to, whether directly or indirectly any facts, matters, circumstances, conditions or defects (whether patent or latent) of all or any kinds, related to, arising from, or based upon, whether directly or indirectly, the Property, including without limitation, the physical condition and quality of the Property or the presence of Hazardous Materials in, on, about or under the Property. BUYER acknowledges that it is assuming the risk of such unknown and unanticipated claims and agrees that this release applies thereto, and expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

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

BUYER's Initials: _____

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

“Environmental Law” shall mean all applicable past, present, or future federal, state and local statutes, regulations, directives, ordinances, and rules, which pertain to environmental matters, contamination of any type whatsoever, or health and safety matters, as such have been amended, modified or supplemented from time to time (including any present and future amendments thereto and re-authorizations thereof), including, without limitation, those relating to: (a) the manufacture, processing, distribution, presence, release, generation, use, handling, assessment, investigation, study, monitoring, removal, remediation, cleanup, treatment, storage, transportation, or disposal of Hazardous Materials; (b) air, soil, surface, subsurface, surface water, and groundwater; (c) the operation and closure of underground storage tanks; (d) health and safety of employees and other persons; and (e) notification and record keeping requirements relating to the foregoing. Without limiting the above, Environmental Laws also include the following: (a) the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), as amended (“CERCLA”); (b) the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act (42 U.S.C. §§6901 et seq.), as amended (“RCRA”); (c) the Emergency Planning and Community Right to Know Act of 1986 (42 U.S.C. §§ 11001 et seq.), as amended; (d) the Clean Air Act (42 U.S.C. §§ 7401 et seq.), as amended; (e) the Clean Water Act (33 U.S.C. §§1251 et seq.), as amended; (f) the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), as amended; (g) the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), as amended; (h) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. §§ 136 et seq.), as amended; (h) the Federal Safe Drinking Water Act (42 U.S.C. §§ 300f et seq.), as amended; (i) the Federal Radon and Indoor Air Quality Research Act (42 U.S.C. §§ 7401 et seq.); (j) the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.), as amended; and (k) any state, county, municipal, or local statutes, laws, or ordinances similar or analogous to (including counterparts of) any of the statutes listed above.

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

6. DEFAULTS.

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

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

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

7. MISCELLANEOUS.

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

To SELLER: Patrick Kelley
19675 Casmalia Street
Rialto, California 92377

and

Deborah C. Jacobs
19675 Casmalia Street
Rialto, California 92377

To BUYER: SAN BERNARDINO COUNTY
Real Estate Services Department
385 North Arrowhead Avenue, 3rd Floor
San Bernardino, CA 92415-0180

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

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

7.3 Attorneys' Fees. If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This subsection shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a party hereto and payable under Section 7.10 ("Real Estate Brokerage Commission").

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

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

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

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

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

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

7.10 Real Estate Brokerage Commission. If SELLER has retained any brokers or finders to represent its interests in connection with this transaction, SELLER shall, upon the Close of Escrow, pay, at SELLER's sole cost, a brokerage commission to the SELLER broker or finder pursuant to a separate agreement. BUYER represents that it has not retained any brokers or finders to represent its interests in connection with this transaction. SELLER agrees to indemnify and hold the BUYER 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.

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

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

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

[Signatures on next page]

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

SELLER:

BUYER:

**PATRICK KELLEY, a single man, AND
DEBORAH C JACOBS, a widow, as
tenants in common**

SAN BERNARDINO COUNTY

By: _____
Patrick Kelley

By: Curt Hagman
Title: Chairman, Board of Supervisors

Date: _____

Date: _____

By: _____
Deborah C Jacobs

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

Date: _____

LYNNA MONELL,
Clerk of the Board of Supervisors

By: _____
Deputy

Date: _____

APPROVED AS TO LEGAL FORM:

TOM BUNTON,
County Counsel
San Bernardino County, California

By: _____
Agnes Cheng
Deputy County Counsel

Date: _____

ACCEPTANCE BY ESCROW HOLDER

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

GOLDEN STATE ESCROW

_____, 2022

By: _____
Name: _____
Title: _____

EXHIBIT “A”

Legal Description

All that certain real property situated in the County of San Bernardino, State of California, described as follows:

Lot 45 of Tract No. 2260, Valley of the Falls No. 2, in the County of San Bernardino, State of California, as per map recorded in book 32 of maps, pages 61 to 66 inclusive, records of said county.

APN 0323-382-26

EXHIBIT "B"

Form of Grant Deed

RECORDING REQUESTED BY:
SAN BERNARDINO COUNTY
Real Estate Services Department
385 N. Arrowhead Ave., 3rd Floor
San Bernardino, CA 92415-0180

WHEN RECORDED MAIL TO:
Same as above

RECORDER: EXEMPT:
This instrument is for the benefit of San Bernardino County and is entitled to be recorded without fee subject to Govt. Codes 6103 & 27383

A.P.N(s): 0323-382-26	GRANT DEED	Dept. Code:
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The undersigned grantor(s) declare(s):
DOCUMENTARY TRANSFER TAX \$0.00 Conveyance to Government Entity. R&T 11922
 computed on full value of property conveyed, or
 computed on full value less liens and encumbrances remaining at the time of sale
 Unincorporated Area Forest Falls

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

Patrick Kelley, a single man, and Deborah C. Jacobs, a widow, each as to an undivided 50% interest as tenants in common,

hereby GRANT(S) to **SAN BERNARDINO COUNTY**

the following real property in the County of San Bernardino, State of California:

SEE EXHIBIT "A", LEGAL DESCRIPTION

Patrick Kelley and Deborah C. Jacobs, as tenants in common

By: _____ Dated: _____

EXHIBIT "A"

All that certain real property situated in the County of San Bernardino, State of California, described as follows:

Lot 45 of Tract No. 2260, Valley of the Falls No. 2, in the County of San Bernardino, State of California, as per map recorded in book 32 of maps, pages 61 to 66 inclusive, records of said county

APN 0323-382-26

SAN BERNARDINO COUNTY
ACCEPTANCE CERTIFICATE

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

Dated: _____

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

