

PURCHASE AND SALES AGREEMENT

DEPARTMENT OF CORRECTIONS AND REHABILITATION (CDCR)

515 Sutter Lane, Ione, CA 95640-9770

STATE SURPLUS PARCEL NO. SSL 932

This Purchase and Sales Agreement (**Agreement**) is made and entered into on this XXth day of MONTH, 2011 (Effective Date), by and between the STATE OF CALIFORNIA, acting by and through the Department of General Services (**STATE**) and the VESTING NAME OF BUYER (**BUYER**), collectively "**PARTIES**".

RECITAL

- A. The **STATE** owns that certain real property located at 515 Sutter Lane, Ione, California, Amador County, California, known as Assessor Parcel Number 004-050-031-000, and more particularly described in EXHIBIT A, which is incorporated herein as if fully set forth, ("Property"), and which the California Legislature authorized for disposal pursuant to Chapter 798 of the Statutes of 2012. The Property includes all land and buildings, appurtenances, improvements, easements, rights-of-way, and all associated water rights located on or related to the land.
- B. **BUYER** has submitted the offer to purchase the Property, deemed most acceptable to the **STATE**, from multiple offers received in response to **STATE'S** invitation to bid.

AGREEMENT

In consideration of the foregoing Recitals which are incorporated herein as if fully set forth and for other good and valuable consideration, the **PARTIES** agree as follows:

1. PROPERTY

- 1.1. **Property**. **STATE** agrees to sell and convey to **BUYER**, and **BUYER** agrees to purchase from **STATE**, the Property subject to the terms and conditions set forth in this Agreement.

2. PURCHASE PRICE

- 2.1. **Purchase Price**. The total purchase price to be paid by **BUYER** to **STATE** for Property shall be PURCHASE PRICE AND NO/100 DOLLARS (\$X,000,000.00).

- 2.2. **Deposit**. **BUYER** has made a deposit of DEPOSIT AMOUNT DOLLARS (\$XX,000.00) which shall be held by **STATE** in a suspense account. If **STATE** fails to execute this Agreement, the aforementioned funds shall be refunded to **BUYER** subject to the conditions stated in paragraph 3.14. Upon **STATE'S** execution of the Agreement, the **BUYER'S** total

deposit shall be non-refundable except upon the **STATE'S** breach of this Agreement or **BUYER'S** right to terminate as described in paragraph 6.4. The total deposit of \$DOLLAR AMOUNT will be applied to the purchase price of the Property at close of escrow.

If escrow should fail to close for any reason, **BUYER'S** deposit shall not be released to **BUYER** until **STATE** and Escrow Holder have received valid *lien releases* or *STOP NOTICE WAIVERS* from all contractors who worked on the Property at **BUYER'S** request in accordance with paragraph 6.2.

- 2.3. **Terms of Payment.** Within five (5) business days of **BUYER'S** acceptance of the property, as defined in paragraph 6.4, **BUYER** shall deposit the balance of the purchase price identified in paragraph 2.1, in cash or its equivalent, less the amount on deposit with **STATE** identified in paragraph 2.2, with Escrow holder.

3. **CONDITIONS OF SALE**

- 3.1. **State's Review Period and Acceptance of Buyer's Offer.** The offer will be subject to review by **STATE** for a period of seven (7) business days from the opening of the bids prior to recommendation for approval and acceptance of the offer by the Director of the Department of General Services (Director).
- 3.2. **State Public Works Board (SPWB) Approval and Acceptance.** **BUYER** acknowledges the legislation authorizing the sale of the Property does not require the approval of the State Public Works Board (SPWB). The acceptance and approval of the Purchase and Sale Agreement (Agreement) by the Director or his authorized representative will constitute formal acceptance of **BUYER'S** offer.
- 3.2.1. **BUYER** further acknowledges that neither the preparation nor presentation of this offer, nor the negotiations leading up to this offer, creates any obligation or commitment on the part of **STATE** to accept **BUYER'S** offer, unless and until the Director or his authorized representative approves the transaction by signing the Agreement and **STATE** communicates such approval and acceptance to **BUYER** in writing. **STATE'S** written communication of the acceptance and approval of **BUYER'S** offer by the Director shall constitute **STATE'S** formal acceptance of the offer and shall thereafter obligate **STATE** to sell the Property to **BUYER** unless **BUYER** fails to perform or otherwise breaches the terms of the Agreement.
- 3.2.2. In the event the Director does not approve the sale of the Property to **BUYER**, this Agreement shall terminate without any liability or obligation of either the **STATE** or **BUYER**. Upon such termination, **BUYER** shall be entitled to a refund of its entire Deposit, less any amounts used for reimbursement obligations for Hazardous Material remediation work.

- 3.3. **Rejection of Offers.** STATE reserves the right to reject any or all offers and to waive any informality or irregularity in any offer, and/or to accept any offer deemed to be in the best interest of STATE.
- 3.4. **Title and Escrow.** Within [NUMBER OF DAYS] (X) business days of BUYER'S acceptance of the Property as defined in paragraph 6.4, BUYER must deposit the balance of the purchase price identified in paragraph 2.1, less the deposit retained by STATE identified in paragraph 2.2, with Escrow Holder. Title to said Property shall pass immediately upon close of escrow. The issuance of any escrow instructions shall be the sole responsibility of the STATE.

State opened an escrow with the [NAME OF ESCROW COMPANY], [ADDRESS OF ESCROW COMPANY]. The escrow account established for this transaction is Escrow No. [XXXXX]. On June 5, 2013, the Placer Title Company, 11321 Prospect Drive, Ste. 1, Jackson, CA 95642, issued an Preliminary Report (Amended) prepared under Order No. 9006-2295, indicating exceptions to title. The Preliminary Report, attached as EXHIBIT B, is by this reference incorporated herein.

- 3.5. **Close of Escrow.** The date upon which BUYER accepts the condition of the property, in accordance with the provisions of paragraph 6.4, shall constitute the commencement of the SEVEN (7) day timeframe within which BUYER shall complete the purchase of the Property by closing escrow.
- 3.6. **Buyer's Costs.** BUYER shall pay all recording fees, documentary transfer taxes, escrow fees, policies of title insurance, and any other costs connected with the closing of this transaction.
- 3.7. **As-Is Purchase.** BUYER acknowledges that BUYER is purchasing the Property solely in reliance on BUYER'S own investigations. Except as provided in paragraph 4.4, BUYER specifically acknowledges and agrees that STATE will sell and BUYER will purchase the Property on an "as-is" with all faults basis, and that BUYER, having been given the opportunity to inspect the Property and review information and documentation affecting the Property, including any investigations, studies or documents identified under paragraph 6.5 below. BUYER will not rely on any representations or warranty of any kind whatsoever, express or implied, from STATE or its agents as to any matters concerning the Property, including without limitation: (i.) the quality, nature, adequacy, and physical condition of the Property including soils, geology, and any groundwater; (ii.) the existence, quality, nature, adequacy, and physical condition of utilities serving the Property; (iii.) the development potential of the Property and the Property's use, merchantability, fitness, suitability, value, or adequacy of the Property for any particular purpose; (iv.) the zoning or other legal status of the Property or any other public or private restrictions on use of the property; (v.) the compliance of the property

or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions, and restrictions of any governmental or quasi-governmental entity or of any other person or entity; (vi.) the presence of Hazardous Materials (as defined in paragraph (3.7.2) on, under, or about the property or the adjoining or neighboring property; (vii.) the condition of title to the Property; and (viii.) the economics of the operation of the Property. **BUYER** agrees to purchase the Property in the condition that it is in at close of escrow. **BUYER** shall be responsible at **BUYER'S** sole expense for all demolition and any Hazardous Materials remediation required to make Property usable for **BUYER'S** intended purpose and **BUYER** releases the **STATE**, their employees or agents from any claims, damages, costs or damages related to any Hazardous Materials, on, under or in the Property or releases of any Hazardous Materials, on, under or in the Property or releases of any Hazardous Materials from the Property.

3.7.1. **Land Use Entitlements & CEQA Requirements.** Pursuant to Government Code section 11011(k)(1), the disposition of a parcel of surplus state real property, pursuant to Section 11011.1, made on an "as-is" basis shall be exempt from Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources Code. Upon title to the parcel vesting in a purchaser or transferee of the property, the purchaser or transferee shall be subject to any local governmental land use entitlement approval requirements and to Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources Code.

3.7.2. **Hazardous Materials.** As used herein, the term "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §18901 et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. §6901 et seq.), Section 25117 of the California Health and Safety Code, Section 25316 of the California Health and Safety Code, and in the regulations adopted and publications promulgated pursuant to them, or any other Federal, State, or local environmental laws, ordinances, rules, or regulations concerning the environment, industrial hygiene or public health or safety now in effect or enacted after this date.

3.8. **Title Conditions.** **BUYER** has reviewed the Preliminary Report referred to in paragraph 3.4 above.

- 3.8.1. **No Buyer Exceptions.** BUYER agrees that if a CLTA title policy will be issued by the title company in accordance with the title exceptions identified in the Preliminary Report, that there are no conditions or contingencies related to title.
- 3.9. **Further Documents and Assurances.** BUYER and STATE shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the escrow in condition for closing as and when required by this Agreement. BUYER and STATE agree to execute and deliver all further documents and instruments reasonably required by Title Company. STATE shall deliver or cause to be delivered to Escrow Holder in time for delivery to BUYER at the closing an original ink-signed and notarized Quitclaim Deed, conveying fee title to the Property to BUYER, in the form attached hereto as EXHIBIT C.
- 3.10. **Applicable Law.** These provisions shall in all respects be governed by the laws of the State of California and any action to enforce the terms of these provisions shall be commenced and maintained in the Superior Court of the County of Sacramento.
- 3.11. **Professional Fees and Costs.** STATE shall be entitled to recover from BUYER all its fees and costs for all attorneys, auditors, accountants, and any other professional services needed to enforce the provisions in this Agreement if STATE is the prevailing party in such action.
- 3.12. **Continuing Obligations.** All terms and conditions in this Agreement which represent continuing obligations and duties of the parties that have not been satisfied prior to close of escrow shall survive close of escrow and transfer of title to BUYER and shall continue to be binding on the respective obligated party in accordance with their terms.
- 3.13. **Failure of Condition.** Notwithstanding anything to the contrary in this Agreement, in the event that a material condition to closing for BUYER'S benefit fails, BUYER shall have the right to terminate this Agreement and receive a refund of the entire deposit. In such an event, neither party shall have any further obligations to each other, except for the PARTIES' obligations to return funds and documents, any indemnification obligations contained herein, and any rights or obligations relating to a default hereunder.
- 3.14. **Liquidated Damages.** PROVIDED BUYER HAS NOT ELECTED TO TERMINATE THIS AGREEMENT PURSUANT TO ANY OF BUYER'S RIGHTS TO DO SO CONTAINED HEREIN, IF BUYER COMMITS A DEFAULT UNDER THIS AGREEMENT AND THE CLOSE OF ESCROW FAILS TO OCCUR SOLELY BY REASON OF SUCH DEFAULT, THEN ESCROW HOLDER MAY BE INSTRUCTED BY STATE TO CANCEL THE ESCROW AND STATE SHALL THEREUPON BE RELEASED FROM ITS OBLIGATIONS HEREUNDER. BUYER AND STATE AGREE THAT BASED UPON THE CIRCUMSTANCES NOW EXISTING, KNOWN AND UNKNOWN, IT

WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ESTABLISH **STATE'S** DAMAGE BY REASON OF **BUYER'S** DEFAULT. ACCORDINGLY, **BUYER** AND **STATE** AGREE THAT IT WOULD BE REASONABLE AT SUCH TIME TO AWARD **STATE** "LIQUIDATED DAMAGES" EQUAL TO THE AMOUNT OF THE DEPOSIT OF AMOUNT, WHICH HAS BEEN DEPOSITED WITH **STATE** BY **BUYER** PURSUANT TO THIS AGREEMENT.

STATE AND **BUYER** ACKNOWLEDGE AND AGREE THAT THE FOREGOING AMOUNT IS REASONABLE AS LIQUIDATED DAMAGES AND SHALL BE, EXCEPT AS PROVIDED BELOW, **STATE'S** SOLE AND EXCLUSIVE REMEDY IN LIEU OF ANY OTHER RELIEF, RIGHT OR REMEDY, AT LAW OR IN EQUITY, TO WHICH **STATE** MIGHT OTHERWISE BE ENTITLED BY REASON OF **BUYER'S** DEFAULT UNDER THIS AGREEMENT. ACCORDINGLY, IF **BUYER** COMMITS A DEFAULT UNDER THIS AGREEMENT AND THE CLOSE OF ESCROW FAILS TO OCCUR SOLELY BY REASON OF SUCH DEFAULT, **STATE** MAY INSTRUCT THE ESCROW HOLDER TO CANCEL THE ESCROW, WHEREUPON **STATE** SHALL BE RELIEVED FROM ALL LIABILITY HEREUNDER, AND, PROMPTLY FOLLOWING ESCROW HOLDER'S RECEIPT OF SUCH INSTRUCTION, ESCROW HOLDER SHALL (i.) CANCEL THE ESCROW, AND (ii.) **STATE** SHALL DISBURSE THE AMOUNT OF \$XX,000 BEING HELD BY **STATE** AS THE DEPOSIT FROM **BUYER** IN THE MANNER PRESCRIBED BY THE LAW DECLARING THE PROPERTY SURPLUS (SEE CHAPTER 166 OF THE STATUTES OF 2009.)

STATE'S INITIALS

BUYER'S INITIALS

4. STATE'S REPRESENTATIONS, WARRANTIES, AND DISCLOSURES

In addition to any express agreements of **STATE** contained herein, the following constitute representations and warranties of **STATE** to **BUYER**, of this Agreement.

4.1. **Reliability of Information**. **STATE** obtained the information contained in this Agreement from sources deemed reliable; however, **STATE** makes no representations, warranties or guarantees as to the accuracy of the information provided. **STATE** provides the information solely as an aid to **BUYER** and **BUYER** should conduct his/her own investigations of the Property.

4.2. **Authority of State**. **STATE** is a government entity, duly organized and validly existing under the laws of the State of California. **STATE** has full power and authority to sell, and convey the Property to **BUYER** and to enter into and perform its obligations pursuant to this Agreement.

4.3. **Taxes**. The State of California is exempt from income taxes and property taxes and assessments and none are or will be owing at close of escrow.

- 4.4. **Disclosures.** BUYER acknowledges that BUYER is purchasing the Property solely in reliance on BUYER'S own investigations and except as otherwise expressly set forth herein, no representations or warranties of any kind whatsoever, expressed or implied, have been made by STATE, STATE'S agents, or brokers (if any), including any investigations, studies, or documents identified under paragraph 6.5 below.
- 4.5. **Broker.** STATE has not retained the services of a broker in regard to the transaction contemplated under this Agreement. STATE does not pay real estate broker's commissions to licensed real estate brokers or agents for bringing STATE a buyer and any commission agreed to between BUYER and a broker or agent shall be the sole responsibility of BUYER.
- 4.6. **Absence of Fraud and Misleading Statements.** To the best of STATE'S knowledge, no statement of STATE in this Agreement or in any document, certificate, or schedule furnished or to be furnished to BUYER pursuant hereto or in connection with the transaction contemplated hereby contains any untrue statement of material fact.

5. **BUYER'S REPRESENTATIONS AND WARRANTIES**

In addition to any express agreements of BUYER contained herein, the following constitute representations and warranties of BUYER to STATE in this Agreement.

5.1. **Representations Regarding Buyer's Authority.**

- 5.1.1. BUYER has the legal power, right and authority to enter into this Agreement and the instruments referenced herein and to consummate the transactions contemplated in this Agreement.
- 5.1.2. The individuals executing this Agreement and the instruments referenced herein on behalf of BUYER have the legal power, right, and actual authority to bind BUYER to the terms and conditions hereof and thereof.
- 5.1.3. This Agreement is, and all other instruments, documents and agreements required to be executed and delivered by BUYER in connection with this Agreement are and shall be, duly authorized, executed and delivered by BUYER and shall be valid, legally binding obligations of and enforceable against BUYER in accordance with their terms.
- 5.1.4. No further approvals or actions are required for BUYER to consummate the transactions contemplated in this Agreement and BUYER has the funds necessary to consummate the transactions contemplated in this Agreement.

- 5.2. **Regulatory Authority.** BUYER further acknowledges, represents and warrants that as of the close of escrow BUYER is aware of all zoning regulations, other governmental requirements, site and physical conditions, including the presence of Hazardous Materials or other adverse environmental conditions, if any, and other matters affecting the use and condition of the Property.
- 5.3. **Broker.** BUYER (has or has not) retained the services of any licensed real estate broker in regard to the transactions contemplated under this Agreement. If BUYER retains the services of a real estate broker/agent, the provisions of paragraph 4.5 shall apply.
- 5.4. **General Representation.** No representation, warranty or statement of BUYER in this Agreement or in any document, certificate or schedule furnished or to be furnished to STATE pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make statements or facts contained therein not misleading. BUYER'S representations and warranties made in this Agreement shall be continuing and shall be true and correct as of the date of the close of escrow with the same force and effect as if remade by BUYER in a separate certificate at that time. The truth and accuracy of BUYER'S representations and warranties made herein shall constitute a condition for the benefit of STATE to the close of escrow (as elsewhere provided herein) and shall not merge into the close of escrow or the recordation of the quitclaim deed in the Official Records, and shall survive the close of escrow.

6. **DUE DILIGENCE**

- 6.1. **Buyer's Investigation of Property Condition.** Real property often contains defects and conditions which are not readily apparent and which may affect the value or desirability of the Property. Therefore, it is the affirmative duty of BUYER to exercise reasonable care to discover those facts which are unknown to BUYER or within the diligent attention and observation of BUYER. BUYER acknowledges that BUYER has been given the opportunity to complete an investigation of the Property prior to the execution of this Agreement, and that BUYER accepts the condition of the Property "as-is" at the end of the BUYER'S due diligence period, unless BUYER elects to terminate the agreement in accordance with the conditions stated in paragraph 6.4.
- 6.2. **Buyer's Acceptance of Property Condition and Inspections.** BUYER'S acceptance of the condition of the Property is a condition to performance under this Agreement. Accordingly, BUYER shall have the right to conduct inspections, investigations, tests, surveys, and other studies at BUYER'S expense upon execution of a Right of Entry (ROE) by STATE in the form attached as EXHIBIT D. BUYER agrees to provide to STATE, at no

cost, upon request of **STATE**, complete copies of all inspection reports and findings obtained by **BUYER** concerning the property.

BUYER shall provide to **STATE** in writing the identity (name), license, and telephone number, of the contractor(s) or entity(ies) conducting the inspections and the nature and scope of the inspections for inclusion in the ROE. **STATE PROHIBITS ENTRY ONTO THE PROPERTY WITHOUT AN EXECUTED ROE**. Subject to the terms of the ROE, the **BUYER**, its representatives, authorized agents, or contractors may enter on the Property to make such inspections of the Property provided that **BUYER** keeps the Property free of liens and repairs all damage to the Property resulting from such inspections(s). **BUYER** intends to conduct the following investigations or studies of the property:

1. **FOR EACH CONTRACTOR, LIST NAME, CONTACT INFORMATION, STUDIES/INSPECTIONS TO BE CONDUCTED, AND EQUIPMENT TO BE USED OR STORED ON THE PROPERTY.**
- 6.3. **Buyer's Inspection Period.** The Due Diligence Period shall continue for a period of no more than NUMBER (X) calendar days, commencing on the Effective Date of this Agreement and ending on DATE. **BUYER** may conduct those investigations and/or studies identified in paragraph 6.2 of this Agreement. **BUYER** may waive all or any portion of the Due Diligence period by informing **STATE** of such waiver IN WRITING.
- 6.4. **Buyer's Removal or Waiver of Contingencies.** **BUYER** shall, within TWO (2) business days after the end of **BUYER'S** inspection period, described in paragraph 6.3, identify to **STATE** IN WRITING any conditions related to the Property that **BUYER** desires **STATE** to resolve before close of escrow. Transmission of the written conditions to **STATE** shall be made via email to Karen.Patche@dgs.ca.gov. **STATE** will notify **BUYER** IN WRITING via email within FIVE (5) business days after receipt of notice from **BUYER** what conditions related to the Property identified by **BUYER** the **STATE** is willing and able to resolve.
- 6.4.1. If **STATE** is unwilling or unable to resolve some or all of the conditions identified by **BUYER**, then **BUYER** must either remove or waive any and all of **BUYER'S** contingencies based on such conditions, if any, IN WRITING and submit such written notification to **STATE** by email to Karen.Patche@dgs.ca.gov within TWO (2) business days after receipt of **STATE'S** notification of unwillingness or inability to resolve some or all of the conditions identified by **BUYER** or elect to terminate this Agreement.
- 6.4.2. If **BUYER** has elected to terminate this Agreement, then **BUYER** shall deliver to **STATE** a WRITTEN TERMINATION NOTICE no later than FIVE (5) business days, after **STATE** notifies **BUYER** of **STATE'S** unwillingness and/or inability to resolve **BUYER'S** identified conditions. Upon termination, **BUYER** and **STATE** shall be released from any obligation to proceed with the terms of this Agreement and neither party shall

have a right to enforce this Agreement or pursue any claims related to this Agreement against the other party.

6.4.3. If **BUYER** does not provide **STATE** with a WRITTEN NOTICE of conditions related to the Property as provided for in 6.4.2., then **BUYER** shall have been deemed to have waived any contingency related to the condition of the Property and **BUYER'S** failure to so notify **STATE** shall conclusively be considered **BUYER'S** approval of the condition of the Property for **BUYER'S** intended use.

6.5. **Scope of Buyer's Investigations.** **BUYER** agrees and warrants, or by the failure to do so shall have waived any rights to do so hereunder, that at close of escrow **BUYER** shall have investigated the condition and suitability of all aspects of the Property and all matters affecting the value or desirability of the Property, including but not limited to the following:

6.5.1. **Condition of systems and components.** Building foundations, improvements, plumbing, siding, electrical, heating, mechanical, roof, air conditioning, built-in appliances, security, and any other structural or nonstructural systems and components, and the energy efficiency of the Property.

6.5.2. **Size and age of improvements.** Structure count, room count, room dimensions, square footage in improvements, lot size, and age of the improvements.

6.5.3. **Lines and boundaries.** Property lines and boundaries.

6.5.4. **Waste disposal.** Type, size, adequacy, and condition of sewer and/or septic systems and components.

6.5.5. **Governmental requirements and limitations.** Availability of required governmental permits, inspections, certificates, or other determinations affecting the Property, including historical significance. Any limitations, restrictions, zoning, building size requirements, or other requirements effecting the current or future use or development of the Property.

6.5.6. **Rent and occupancy controls.** Any restrictions that may limit the amount of rent that can legally be charged and the maximum number of persons who can lawfully occupy the Property.

6.5.7. **Water and utilities; well systems and components.** Availability, adequacy, and condition of public or private systems.

6.5.8. **Environmental hazards.** The presence of asbestos, formaldehyde, radon, methane, other gases, lead based paint, other lead contamination, fuel or chemical

storage tanks, waste disposal sites, electromagnetic fields, and other substances, materials, products, or conditions.

6.5.9. **Geologic conditions.** Geologic/seismic conditions soil stability/suitability, and drainage.

6.5.10. **Neighborhood, area, subdivision requirements.** Neighborhood or area conditions including schools; proximity and adequacy of law enforcement; proximity to commercial, industrial, or agricultural activities; crime statistics; fire protection; other governmental services; existing and proposed transportation; construction and development which may affect noise, view or traffic; airport noise; and noise or odor from any source, wild or domestic.

6.5.11. **Matters of record.** Covenants, conditions, and restrictions; deed restrictions; easements; and other title encumbrances of record.

6.5.12. **Other matters.** Any and all other matters such as leases and licenses affecting the Property and the availability of suitable public infrastructure, assessment, other special service districts, and soil or other conditions on the Property, not herein listed, which are or may be pertinent to **BUYER'S** purpose for acquiring the Property.

6.6. **Risk of Loss.** During the period prior to close of escrow, the risk of loss for any and all improvements on the Property, including but not limited to any dwellings, plumbing and electrical systems, shall be on **BUYER. STATE** shall be under no obligation to repair, replace, or maintain in good working order the improvements on the Property. **BUYER** may, at its sole cost, acquire insurance to cover the risk of loss or damage.

7. **INDEMNIFICATION**

BUYER shall defend, indemnify, and hold **STATE** harmless from and against any and all claims, liabilities, obligations, losses, damages, costs, and expenses, including, but not limited to, attorney's fees, court costs, and litigation expenses that **STATE** may incur or sustain by reason of or in connection with any misrepresentation made by **BUYER** pursuant to this Agreement or by **BUYER'S** representatives, authorized agents, or contractors exercise of rights under Section 6 of this Agreement.

8. **MINERAL RESERVATIONS**

As to any surplus state real property sold and or exchanged pursuant to Government Code section 11011.1, consisting of 15 acres or less, the Director shall except and reserve to **STATE** all mineral deposits, as defined in Section 6407 of the Public Resources Code, below a depth of 500 feet, without surface rights of entry.

9. PRIOR AGREEMENTS

This Agreement, in effect as of the Effective Date, supersedes any and all prior agreements between **STATE** and **BUYER** regarding the Property.

10. NOTICES

Any notice, tender, delivery, or other communication pursuant to this Agreement shall be in writing and shall be deemed to be properly given if delivered, mailed, or sent by wire or other telegraphic communication in the manner provided in this Agreement, to the following persons:

TO STATE: DEPARTMENT OF GENERAL SERVICES
ASSET MANAGEMENT BRANCH
707 3RD STREET, 5TH FLOOR
WEST SACRAMENTO, CA 95605
ATTN: KAREN M. PATCHE
Karen.Patche@dgs.ca.gov

TO BUYER: NAME OF BUYER
STREET ADDRESS
CITY, STATE ZIP CODE
ATTN: CONTACT NAME
[EMAIL ADDRESS]

11. CALCULATION OF TIME

Under this Agreement, when the day upon which performance would otherwise be required or permitted is a Saturday, Sunday, or holiday, then the time for performance shall be extended to the next day which is not a Saturday, Sunday, or holiday. The term "holiday" shall mean all and only those State holidays specified in Sections 6700 and 7701 of the Government Code.

12. TIME OF ESSENCE

Time is of the essence of this Agreement and each and every provision hereof.

13. ENTIRE AGREEMENT

This Agreement, together with any ROE executed by the **PARTIES** shall constitute the entire understanding and agreement of the **PARTIES** hereto regarding the purchase and sale of the Property and all prior agreements, understandings, representations or negotiations are

hereby superseded, terminated, and canceled in their entirety and are of no further force or effect.

14. AMENDMENTS

This Agreement may not be modified or amended except in writing by the **PARTIES**.

15. APPLICABLE LAW

The **PARTIES** hereto acknowledge that this Agreement has been negotiated and entered into in the State of California. The **PARTIES** hereto expressly agree that this Agreement shall in all respects be governed by the laws of the State of California and any action to enforce the terms of this Agreement shall be commenced and maintained in the Superior Court of the County of Sacramento.

16. SEVERABILITY

Nothing contained herein shall be construed as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present statute, law, ordinance or regulation as to which the **PARTIES** have no legal right to contract, the latter shall prevail, but the affected provisions of this Agreement shall be limited only to the extent necessary to bring them within the requirements of such law.

17. SEPARATE COUNTERPARTS

This Agreement may be executed in separate counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall, together, constitute and be one and the same instrument.

18. EXHIBITS

The following Exhibits are attached to this Agreement and incorporated by reference herein.

EXHIBIT A	Legal Description
EXHIBIT B	Preliminary Report
EXHIBIT C	Quitclaim Deed
EXHIBIT D	Right of Entry

19. SURVIVAL

All terms and conditions in this Agreement, which represent continuing obligations and duties of the **PARTIES**, that have not been satisfied prior to close of escrow shall survive close of escrow and transfer of title to **BUYER** and shall continue to be binding on the respective obligated party in accordance with their terms. All representations and warranties and statements made by the respective parties contained herein or made in writing pursuant to this Agreement are intended to be, and shall remain, true and correct as of the close of escrow, shall be deemed to be material, and, together with all conditions, covenants and indemnities made by the respective parties contained herein or made in

writing pursuant to this Agreement (except as otherwise expressly limited or expanded by the terms of this Agreement), shall survive the execution and delivery of this Agreement and the close of escrow, or, to the extent the context requires, beyond any termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

BUYER

VESTING

By: _____
NAME OF BUYER
Address

By: _____
NAME OF BUYER
Address

Date: _____

Date: _____

STATE

**DIRECTOR
STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
REAL ESTATE SERVICES DIVISION**

BY: _____
[NAME], Branch Chief
ASSET MANAGEMENT BRANCH

Date: _____