

FISCAL PROCEDURES APPROVED  
 ROBERT E. BYRD, AUDITOR-CONTROLLER  
 BY Samuel Wong 7/12/10  
 SAMUEL WONG  
 FORM APPROVED COUNTY COUNSEL  
 BY Synthia M. Gunzel 6-29-10  
 SYNTHIA M. GUNZEL  
 DATE  
 Reviewed by DEAN DEINIS  
 CIP TEAM  
 Policy ☒ Policy ☒  
 Consent ☐ Consent ☐  
 Dep't Recomm.:  
 Per Exec. Ofc.:

SUBMITTAL TO THE BOARD OF SUPERVISORS  
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

612C



FROM: Economic Development Agency

SUBMITTAL DATE:  
 August 19, 2010

SUBJECT: Resolution No. 2010-211, Authorization to Purchase Real Property Interests,  
 Assessor's Parcel Number 473-120-010 for the Public Safety Enterprise Communications Project

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Resolution No. 2010-211, Authorization to Purchase Real Property Interests, Riverside County Assessor's Parcel Number 473-120-010, consisting of 2.0 acres;
2. Approve the Agreement of Purchase and Sale and Joint Escrow Instructions and authorize the Chairman to execute the documents necessary to complete the purchase; and

(Continued)

Robert Field

Robert Field  
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$33,500	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$33,500	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: PSEC budget

Positions To Be Deleted Per A-30

☐

Requires 4/5 Vote

☐

C.E.O. RECOMMENDATION:

APPROVE

BY

Jennifer L. Sargent

County Executive Office Signature

Prev. Agn. Ref.: 3.52 of 9/2/2008

District: 3

Agenda Number:

ATTACHMENTS FILED  
 WITH THE CLERK OF THE BOARD

3.49

**RECOMMENDED MOTION:** (Continued)

3. Authorize the Assistant County Executive Officer of the Economic Development Agency, or his designee, to execute any other documents and administer all actions necessary to complete this transaction.

**BACKGROUND:**

With approval of the California Environmental Quality Act (CEQA) Final Environmental Impact Report (FEIR), it is now possible to proceed with site acquisition and development for the Public Safety Enterprise Communications Project Site (PSEC). The FEIR addresses mitigation requirements and unavoidable environmental impacts stemming from the construction and operation of the proposed public safety project. This Board submittal is for a PSEC site located near Redlands Boulevard in the Timoteo Canyon area northeast of Moreno Valley.

This site will provide vehicular access and a power line easement to adjacent property that is intended to house a communication facility, which is the subject of condemnation action. The County has reached agreement on a voluntary sale with the owner to acquire an easement consisting of approximately 2.0 acres consisting of a 100 foot corridor 850 feet in length connecting adjacent condemnation property to Redlands Boulevard.

This resolution has been reviewed and approved by County Counsel as to legal form. The Notice of Intent to Purchase Real Property was published pursuant to Section 25350 of the California Government Code.

**FINANCIAL DATA:**

The following summarizes the funding necessary to acquire Assessor's Parcel Number 473-120-010:

Purchase Price	\$32,000
Title Insurance and Escrow	<u>\$ 1,500</u>
TOTAL	\$33,500

All costs associated with these acquisitions are fully funded through the PSEC budget for FY 2010/11; thus, no additional net county cost will be incurred as a result of these transactions.

1 Board of Supervisors

County of Riverside

2  
3 Resolution No. 2010-211  
4 Authorization to Purchase Real Property Interests  
5 Public Safety Enterprise Communications Project  
6 Assessor's Parcel Number: 473-120-010  
7 Owners: MV Ranchos, L.P., a California Limited Partnership

8 BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the  
9 County of Riverside, in regular session assembled on August 31, 2010, at 9:00 a.m., in the  
10 meeting room of the Board of Supervisors located on the 1<sup>st</sup> floor of the County Administrative  
11 Center, 4080 Lemon Street, Riverside, California, authorizes the County to purchase real  
12 property interests from MV Ranchos, L.P., a California Limited Partnership for a purchase  
13 price not-to-exceed Thirty Two Thousand Dollars (\$32,000) and closing costs not-to-exceed  
14 One Thousand Five Hundred Dollars (\$1,500), located in the County of Riverside, State of  
15 California, identified as a portion of Riverside County Assessor's Parcel Number 473-120-010,  
16 more particularly as shown in Exhibit "I", attached hereto and thereby made a part hereof,  
17 consisting of approximately 2.0 acres of land.

18 BE IT FURTHER RESOLVED AND DETERMINED that the Chairman of the Board of  
19 Supervisors is hereby authorized to execute any and all documents necessary to purchase the  
20 property.

21 BE IT FURTHER RESOLVED AND DETERMINED that the Assistant County Executive  
22 Officer of the Economic Development Agency, or his designee, is authorized to execute the  
23 necessary documents to complete this purchase of real property.  
24  
25

///  
///  
///

FORM APPROVED COUNTY COUNSEL  
BY: Synthia M. Gunzel 6-29-10  
DATE: \_\_\_\_\_  
SYNTHIA M. GUNZEL

JRF:jw  
6/21/10  
052IT  
13.479

**AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS  
BY AND BETWEEN**

**MV RANCHOS L.P., a California Limited Partnership**

**AS SELLER**

**AND**

**THE COUNTY OF RIVERSIDE  
A Political Subdivision of the State of California**

**AS BUYER**

**RELATING TO**

**Assessor's Parcel Number: 473-120-010  
Riverside County, California**

THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between COUNTY OF RIVERSIDE, a Political Subdivision of the State of California ("Buyer"), and **MV RANCHOS L.P., a California Limited Partnership** ("Seller").

1. **Definitions.** For the purposes of this Agreement the following terms will be defined as follows:

(b) **“Property”:** Seller is the owner of certain real property consisting of a land of approximately seventeen (17) acres identified by Assessor’s Parcel Number 473-120-010 located in an unincorporated area in the County of Riverside, California, more particularly described in Attachment A attached hereto and incorporated herein.

(d) **"Purchase Price"**: The Purchase Price for those certain real property interests in the Property described in Attachment B attached hereto is Thirty Two Thousand Dollars (\$32,000);

(f) **"Title Company":** Stewart Title of California, Inc. at the address set forth in subparagraph (h) below. The title order number is 2862-126670 and Chris Maziar is the Title Officer:

**Seller: MV Ranchos**  
**40925 County Center Drive, Suite #100**  
**Temecula, CA 92591-6037**  
**Telephone: (909) 946-4338**

1 Buyer: COUNTY OF RIVERSIDE  
2 Economic Development Agency  
3 3403 10<sup>th</sup> Street, Suite 500  
4 Riverside, California 92501  
5 Attn: James Force  
6 Telephone: (951) 955-4820  
7 FAX No: (951) 955-4837  
8 Email: [JRForce@rivcoeda.org](mailto:JRForce@rivcoeda.org)

6 Escrow Holder: STEWART TITLE  
7 2010 Main Street, Suite 220  
8 Irvine, California 92614  
9 Attn: Grace Kim  
10 Telephone: (949) 224-8606  
11 Email: [gkim@stewart.com](mailto:gkim@stewart.com)

9 Title Company: STEWART TITLE OF CALIFORNIA, INC.  
10 2010 Main Street, Suite 250  
11 Irvine, California 92614  
12 Attn: Jim Prasch, Title Officer  
13 Telephone: (949) 476-0777  
14 Email: [Maziar@stewart.com](mailto:Maziar@stewart.com)

- 15 (i) **ATTACHMENTS:**  
16 ATTACHMENT A - Legal Description of Larger Parcel  
17 ATTACHMENT B - Legal Description of the Property  
18 ATTACHMENT C - Form of Deed

15 2. **Purchase and Sale.** Upon and subject to the terms and conditions set forth in  
16 this Agreement, Seller agrees to sell to Buyer and Buyer agrees to buy from Seller the  
17 Property, together with all easements, appurtenances thereto and all improvements and  
18 fixtures situated thereon.

18 3. **Purchase Price.** The Purchase Price for the Property will be paid as follows:

19 3.1 **Agreement.** Upon the approval of this Agreement and execution by the  
20 Board of Supervisors (the date upon which this Agreement has been fully executed and  
21 delivered to both parties is the "**Effective Date**"), Buyer shall order the full purchase price, plus  
22 costs to cover buyer's escrow fees and shall deposit the sum in the form of a cashier's check  
23 or other immediately available funds payable to the order of Escrow Holder. Should escrow be  
24 unable to close immediately due to some unforeseen circumstances, Escrow Holder shall  
25 deposit said funds in an interest bearing account which shall be applied against the Purchase  
Price at closing and any overages including the interest shall returned to Buyer at close of  
escrow.

24 4. **Escrow.** Buyer and Seller shall open an escrow (the "**Escrow**") with Escrow  
25 Holder within three (3) business days after the Effective Date by delivery to Escrow Holder a  
fully executed original or originally executed counterparts of this Agreement and this date shall  
be the official Opening Date of Escrow, referenced herein. This purchase shall be contingent

1 upon the approval by the Board of Supervisors of the Authorization to Purchase and the  
2 approval of the Purchase and Sale and Joint Escrow Instructions document. This contingency  
3 will be removed from escrow upon the receipt of the Signed Purchase and Sale Agreement  
4 and Joint Escrow Instructions document signed by the Board of Supervisors. Buyer and Seller  
agree to execute any additional instructions reasonably required by the Escrow Holder. If there  
is a conflict between any printed escrow instructions and this Agreement, the terms of this  
Agreement will govern.

5           **5. Deliveries to Escrow Holder.**

6                   5.1     By Seller. On or prior to the Closing Date, Seller will deliver or cause to  
7 be delivered to Escrow Holder the following items:

8                           (a)     A Grant of Easement ("**Grant of Easement**"), in the form  
attached to this Agreement as ATTACHMENT C, duly executed and acknowledged by Seller  
and in recordable form conveying the Property to Buyer; and

9                           (b)     A Transferor's Certificate of Non-Foreign Status ("**FIRPTA**  
10 **Certificate**")

11                   5.2     By Buyer. On or prior to the Closing Date (and in any event in a manner  
12 sufficient to allow Escrow to close not later than the Closing Date), Buyer will deliver or cause  
to be delivered to Escrow Holder the following items:

13                           (a)     The Purchase Price in accordance with Paragraph 3.1; and

14                           (b)     The amount due Seller and any third parties, if any, after the  
15 prorations are computed in accordance with Paragraph 12.

16                   5.3     By Buyer and Seller. Buyer and Seller will each deposit such other  
instruments consistent with this Agreement as are reasonably required by Escrow Holder or  
17 otherwise required to close escrow. In addition, Seller and Buyer will designate the Title  
Company as the "**Reporting Person**" for the transaction pursuant to Section 6045(e) of the  
Internal Revenue Code.

18           **6. Condition of Title.**

19                   6.1     At the Close of Escrow, a Grant of Easement to the Property will be  
20 conveyed to Buyer by Seller by Grant of Easement Deed subject only to the following matters  
21 ("**Permitted Exceptions**");

22                           (a)     A lien for local real property taxes and assessments not then  
delinquent;

23                           (b)     Matters of title respecting the Property approved or deemed  
approved by Buyer in accordance with this Agreement;

24                           (c)     Matters affecting the condition of title to the Property created by  
25 or with the written consent of Buyer; and

1 (d) Any matters which would be shown by a survey of the Property  
2 or by inquiry in possession of the Property.

3 **7. Conditions to the Close of Escrow.**

4 7.1 Conditions Precedent to Buyer's Obligations. The following conditions  
5 must be satisfied not later than the Closing Date or such other period of time as may be  
6 specified below:

7 (a) Title. Buyer has obtained a preliminary report for the Property  
8 prepared by the Title Company dated as of February 5, 2009, and referenced as Order No.  
9 189397 together with copies of the documents described in such report. Buyer hereby objects  
10 to exceptions as shown in the preliminary report: **none**. Seller will have ten (10) days after the  
11 Effective Date to advise Buyer that:

12 (i) Seller will remove any objectionable exceptions to title or  
13 obtain appropriate endorsements to the title policy on or before the Closing Date; or

14 (ii) Seller will not cause the exceptions to be removed. If  
15 Seller advises buyer that it will not cause the exceptions to be removed, Buyer will have ten  
16 (10) days to elect, at its sole remedy, to:

17 (iii) Proceed with the purchase and acquire the Property  
18 subject to such exceptions without reduction in the Purchase Price; or

19 (iv) Cancel the Escrow and this Agreement by written notice  
20 to Seller and the Escrow Holder in which case any deposit together with interest thereon will  
21 be returned to Buyer and the cancellation costs will be borne by Buyer.

22 If Buyer does not give Seller notice of its election within such ten (10)  
23 day period, Buyer will be deemed to have approved the condition of title to the Property and  
24 elected to proceed with this transaction.

25 If Seller commits to remove any objection to title and fails to do so by the  
Closing Date, Seller will be in default under this Agreement and Buyer may, at Buyer's  
election, terminate this Agreement and pursue its remedies as set forth herein.

(b) Title Insurance. As of the Close of Escrow, the Title Company  
will issue or have committed to issue the Title Policy to Buyer with only the Permitted  
Exceptions.

(c) Delivery of Information. Within ten (10) days after the Opening of  
Escrow, seller shall deliver to buyer the original or true copies of all, past hazardous material  
studies, soil reports, and similar information which it may have in its possession relating to the  
Property except as specifically set forth herein, such items shall be delivered by Seller to  
Buyer and shall be to the best of Seller's actual knowledge, true and correct and complete  
copies of the items in Seller's possession and except as expressly set forth herein,  
Seller makes no warranty regarding the contents of such items. If the Escrow shall fail to close  
for any reason, all such items shall be immediately returned to Seller. The conditions set forth  
in this paragraph are solely for the benefit of Buyer and may be waived only by Buyer. At all



1 times Buyer has the right to waive any condition. Such waiver or waivers must be in writing to  
2 Seller and Escrow Holder.

3 The Close of Escrow and Buyer's obligations with respect to this  
4 transaction are subject to Seller's delivery to Escrow Holder on or before the Closing Date the  
5 items described in Paragraph 5 and 6.1 and the removal of the items described in Paragraph  
6 7.1.

7 **7.2 Conditions Precedent to Seller's Obligations.** The following shall be  
8 conditions precedent to Seller's obligation to consummate the purchase and sale transaction  
9 contemplated herein:

10 (a) Buyer shall have delivered to Escrow Holder, prior to the Closing  
11 for disbursement as directed hereunder, all cash or other immediately available funds from  
12 Buyer in accordance with this Agreement; and

13 (b) Buyer shall have delivered to Escrow Holder the items described  
14 in Paragraphs 5.2 and 5.3.

15 The conditions set forth in this paragraph are solely for the benefit of  
16 Seller and may be waived only by Seller. At all times Seller has the right to waive any  
17 condition. Such waiver or waivers must be in writing to Buyer and Escrow Holder.

18 **7.3 Termination of Agreement.** In the event that, for any reason, the Closing  
19 does not occur on or before the Closing Date, either party to this Agreement, who is not in  
20 default of its obligations under this Agreement, shall have the right to terminate this Agreement  
21 upon written notice to the other party and to Escrow Holder. Unless Seller is materially in  
22 default hereunder, failure by Buyer to cause Escrow to close on or before the Closing Date  
23 shall constitute a material Buyer default as a result of which Seller may elect to terminate this  
24 Agreement and the Escrow created hereunder.

## 17 **8. Due Diligence By Buyer.**

18 **8.1 Matters To Be Reviewed.** Buyer must complete its due diligence and  
19 approve the following matters prior to the Closing date (the "Due Diligence Period"). Seller  
20 shall cooperate with Buyer in its investigation.

21 (a) The physical condition of the Property at the time of sale,  
22 including without limitation, any soil conditions, the status of the Property with respect to  
23 hazardous and toxic materials, if any, and in compliance with all applicable laws, including any  
24 laws relating to hazardous and toxic materials and all applicable government ordinances, rules  
25 and regulations and evidence of Seller's compliance therewith including without limitation  
zoning and building regulations;

(b) All applicable government ordinances, rules and regulations and  
evidence of Seller's compliance therewith including without limitation zoning and building  
regulations; and

(c) All licenses, permits and other governmental approvals and/or  
authorizations relating to the Property which shall remain in effect after the Close of Escrow.

1                   8.2    Notice and Resolution of Objections.

2                   (a)    If Buyer fails to notify Seller in writing of any objections to items  
3 (a) and (b) in Paragraph 8.1 above or to request an extension prior to the end of the Due  
4 Diligence Period then Buyer shall be deemed to have approved such items and elected to  
5 proceed with the acquisition of the Property.

6                   (b)    If Buyer notifies Seller in writing of any objections to the condition  
7 of the Property at the time of sale or any other matters relating to the Property as set forth in  
8 Section 8.1 prior to the end of the due diligence period, the parties will have five (5) business  
9 days to agree upon a resolution of the objections(s); provided however, that if, as a result of  
10 investigations and inspections any deficiencies are found or repairs are needed, the cost to  
11 remedy such deficiencies or to make such repairs shall be the exclusive responsibility of the  
12 Seller. In the event that Seller fails to remedy such deficiencies or to make such repairs within  
13 a reasonable time period then Buyer may terminate this Agreement by written notice to Seller  
14 and Escrow.

15                   (c)    In the absence of a timely objection or notice of termination,  
16 Buyer will be deemed to have knowingly approved the condition of Property at the time of sale  
17 and waived any of its objections, and this Agreement will continue in full force and effect.

18                   8.3    Material New Matters. If Buyer discovers any new matter prior to close  
19 of escrow which was:

20                   (a)    Not reasonably discoverable prior to the Close of and Escrow  
21 and that matter is one which:

22                               (i)    Would appear as an exception to the Title Policy; or

23                               (ii)   Is materially inconsistent with a disclosure by Seller or  
24 with any representations or warranties contained in Paragraph 16.2; and

25                               (iii)   Such new matter is of such a nature that, in Buyer's  
reasonable judgment, it would materially and adversely affect the acquisition, development,  
sale or use of the Property for Buyer's intended purpose; then Buyer is entitled to treat such  
new matter as a failure of condition to the Close of Escrow.

                              (b)    If Buyer elects to treat such new matter as a failure of condition  
to the Close of Escrow, Buyer must give notice to Seller of Buyer's election to terminate this  
Agreement within fifteen (15) days of Buyer's obtaining knowledge of such new matter, but in  
no event later than the Closing Date.

                              (c)    However, if Buyer gives Seller notice of its election to terminate  
this Agreement, Seller may elect, in its sole and absolute discretion by written notice to Buyer  
and to Escrow Holder within five (5) business days following Seller's receipt of Buyer's notice,  
to correct the new matter prior to the Close of Escrow. If Seller elects to correct the new  
matter, Seller will be entitled to extend the Close of Escrow for not more than twenty (20) days  
in order to correct the new matter and, in such event, this Agreement will not terminate. If  
Seller fails to correct the new matter by the Closing Date as extended, Buyer, as Buyer's sole  
remedy, may terminate this Agreement.

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9. **No Side Agreements or Representations.** Buyer represents and warrants that prior to the Close of Escrow, Buyer will have had the opportunity to make and will have made such an investigation and inspection of all aspects of the condition of the Property as it has deemed necessary or appropriate, including, but not limited to soils and the Property's compliance or non-compliance with applicable laws, rules, regulations and ordinances (including any Environmental Laws) as defined in Paragraph 16.1 and the existence or non-existence of Hazardous Substances as defined in Paragraph 16.1 on, in or under the Property. Buyer further represents and warrants that in purchasing the Property, Buyer is relying upon its own inspections and investigations in proceeding with this Agreement.

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10. **Title Insurance.** At the Close of Escrow, Seller will cause the Title Company to issue to Buyer a CLTA standard coverage owner's policy in an amount equal to the Purchase Price showing fee title to the Property vested in Buyer subject only to the Permitted Exceptions ("Title Policy") and the standard printed exceptions and conditions in the policy of title insurance. If Buyer elects to obtain any endorsements or an ALTA Extended Policy of Title, the additional premium and costs of the policy survey for the ALTA Extended policy of title and the cost of any endorsements will be at Buyer's sole cost and expense; however, Buyer's election to obtain an ALTA extended policy of title will not delay the Closing and Buyer's inability to obtain an ALTA extended policy of title or any such endorsements will not be deemed to be a failure of any condition to Closing.

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11. **Costs and Expenses.**

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Seller will pay:

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(a) Seller's share of prorations.

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Buyer will pay:

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(a) All escrow fees and costs;

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(b) Any title endorsements; and

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(c) Buyers share of prorations.

19  
12. **Prorations.**

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12.1 **Tax Exempt Agency.** All parties hereto acknowledge that the buyer is public entity and exempt from payment of any real property taxes. There will be no proration of taxes through escrow. Seller will be responsible for payment of any real property taxes due prior to close of escrow. In the event any real property taxes are due and unpaid at the close of escrow, Escrow Holder is hereby authorized and instructed to pay such taxes from proceeds due the Seller at the close of escrow. Seller understands that the Tax Collector will not accept partial payment of an installment of the real property taxes due at the close of escrow. At the close of escrow, the Buyer will file any necessary documentation with the County Tax Collector/Assessor for the property tax exemption. Any prorated refund that will be due the Seller will be refunded to the Seller by the county Tax Collector/Assessor outside of escrow and Escrow Holder shall have no liability and/or responsibility in connection therewith.

1                   12.2    Utility Deposits. Not applicable.

2                   12.3    Method of Proration. For purposes of calculating prorations, Buyer shall  
3 be deemed to be in title to the Property and therefore entitled to the income there from and  
4 responsible for the expenses thereof for the entire day upon which the Closing occurs. All  
5 prorations will be made as of the date of Close of Escrow based on a three hundred sixty-five  
(365) day year or a thirty (30) day month, as applicable. The obligations of the parties pursuant  
to this paragraph 13 shall survive the Closing and shall not merge into any documents of  
conveyance delivered at Closing.

6                   13.    **Disbursements and Other Actions by Escrow Holder.** At the Close of  
Escrow, Escrow Holder will promptly undertake all of the following:

7                   13.1    Funds. Promptly upon Close of Escrow, disburse all funds deposited  
8 with Escrow Holder by Buyer in payment of the Purchase Price as follows: (a) deduct or credit  
9 all items chargeable to the account of Seller and/or Buyer pursuant to Paragraphs 11, 12 and  
10 18.1, (b) disburse the balance of the Purchase Price and (c) disburse any excess proceeds  
deposited by Buyer to Buyer.

11                   13.2    Recording. Cause the Grant of Easement Deed to be recorded with the  
County Recorder and obtain conformed copies thereof for distribution to Buyer and Seller.

12                   13.3    Title Policy. Direct the Title Company to issue the Title Policy to Buyer.

13                   13.4    Delivery of Documents to Buyer and Seller. Deliver to Buyer the  
14 FIRPTA Certificate and any other documents (or copies thereof) deposited into Escrow by  
Seller. Deliver to Seller any other documents (or copies thereof) deposited into Escrow by  
Buyer.

15                   14.    **Joint Representations and Warranties.** In addition to any express  
16 agreements of the parties contained herein, the following constitute representations and  
warranties of the parties each to the other:

17                   14.1    Each party has the legal power, right and authority to enter into this  
Agreement and to consummate this transaction.

18                   14.2    The individuals executing this Agreement and the instruments  
19 referenced herein on behalf of each party and the partners, officers or trustees of each party, if  
any, have the legal power, right and actual authority to bind each party to the terms and  
20 conditions of those documents.

21                   14.3    This Agreement and all other documents required to close this  
22 transaction are and will be valid, legally binding obligations of and enforceable against each  
party in accordance with their terms, subject only to applicable bankruptcy, insolvency,  
23 reorganization, moratorium laws or similar laws or equitable principles affecting or limiting the  
rights of contracting parties generally.

24                   15.    **Indemnification.**

25                   15.1    Indemnification By Seller. Seller agrees to indemnify, defend and hold  
Buyer harmless for, from and against any and all claims, demands, liens, liabilities, costs,

1 expenses, damages and losses, cause or causes of action and suit or suits of any nature  
2 whatsoever arising from any misrepresentation or breach of warranty or covenant by Seller in  
this Agreement. This indemnification shall include all costs and attorney fees.

3 15.2 Indemnification By Buyer. Buyer agrees to indemnify, defend and hold  
4 Seller harmless for, from and against any and all claims, demands, liabilities, costs, expenses,  
damages and losses, cause or causes of action and suit or suits arising out of the ownership  
5 and/or operation of the Property after the Closing Date or any misrepresentation or breach of  
warranty or covenant by Buyer in this Agreement or any document delivered to Seller pursuant  
6 to this Agreement. This indemnification shall include all costs and attorney fees.

7 **16. Hazardous Substances.**

8 16.1 Definitions. For the purposes of this Agreement, the following terms  
have the following meanings:

9 (a) "Environmental Law" means any law, statute, ordinance or  
10 regulation pertaining to health, industrial hygiene or the environment including, without  
limitation CERCLA (Comprehensive Environmental Response, Compensation and Liability Act  
11 of 1980) and RCRA (Resources Conservation and Recovery Act of 1976);

12 (b) "Hazardous Substance" means any substance, material or waste  
which is or becomes designated, classified or regulated as being "toxic" or "hazardous" or a  
13 "pollutant" or which is or becomes similarly designated, classified or regulated, under any  
Environmental Law including asbestos, petroleum and petroleum products; and

14 (c) "Environmental Audit" means an environmental audit, review or  
15 testing of the Property performed by Buyer or any third party or consultant engaged by Buyer  
to conduct such study.

16 16.2 Seller's Representations and Warranties. Except as disclosed in the Due  
17 Diligence Materials provided by Seller to Buyer as of the date of this Agreement, to Seller's  
current actual knowledge:

18 (a) No Hazardous Substances exist now or have been used or  
19 stored on or within any portion of the Property except those substances which are or have  
been used or stored on the Property by Buyer in the normal course of use and operation of the  
Property and in compliance with all applicable Environmental Laws;

20 (b) There are and have been no federal, state or local enforcement  
21 clean-up, removal, remedial or other governmental or regulatory actions instituted or  
completed affecting the Property;

22 (c) No claims have been made by any third party relating to any  
23 Hazardous Substances on or within the Property; and

24 (d) There has been no disposal of Hazardous Substances or  
25 accidental spills which may have contaminated the Property. There has been no on-site bulk  
storage of vehicle fuels or waste oils.

1           16.3 Notices Regarding Hazardous Substances. During the term of this  
2 Agreement, Seller will promptly notify Buyer if it obtains actual knowledge that Seller or the  
3 Property may be subject to any threatened or pending investigation by any governmental  
4 agency under any law, regulation or ordinance pertaining to any Hazardous Substance.

5           17. **Notices.** All notices or other communications required or permitted hereunder  
6 must be in writing, and be personally delivered (including by means of professional messenger  
7 service) or sent by registered or certified mail, postage prepaid, return receipt requested to the  
8 addresses set forth in Paragraph 1 (h). All notices sent by mail will be deemed received three  
9 (3) days after the date of mailing.

10           18. **Legal and Equitable Enforcement of this Agreement.**

11           18.1 Waiver of Specific Performance and Lis Pendens. In the event the Close  
12 of Escrow and the consummation of the transaction contemplated by this Agreement do not  
13 occur by reason of a material uncured default by Seller, Buyer will be entitled to payment of its  
14 reasonable out-of-pocket expenses incurred in connection with the transaction. As material  
15 consideration to Seller's entering into this Agreement with Buyer, Buyer waives any right: (a)  
16 to pursue an action for the specific performance of this Agreement and (b) to record or file a  
17 notice of lis pendens or notice of pendency of action or similar notice against any portion of the  
18 Property.

19           19. **Miscellaneous.**

20           19.1 Counterparts. This Agreement may be executed in counterparts.

21           19.2 Partial Invalidity. If any term or provision of this Agreement shall be  
22 deemed to be invalid or unenforceable to any extent, the remainder of this Agreement will not  
23 be affected thereby and each remaining term and provision of this Agreement will be valid and  
24 be enforced to the fullest extent permitted by law.

25           19.3 Waivers. No waiver of any breach of any covenant or provision  
contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of  
any other covenant or to, a licensed real estate broker (individual or corporate), agent, or  
finder or other provision contained herein. No extension of time for performance or any  
obligation or act will be deemed an extension of the time for, performance of any other  
obligation or act except those of the waiving party which will be extended by a period of time  
equal to the period of the delay.

          19.4 Successors and Assigns. Neither party shall transfer or assign its rights  
or responsibilities under this Agreement without the express written consent of the other party.

          19.5 Entire Agreement. This Agreement (including all attachments or exhibits  
attached hereto) constitutes the entire contract between the parties hereto and may not be  
modified except by an instrument in writing signed by the party to be charged.

          19.6 Time of Essence. Seller and Buyer hereby acknowledge and agree that  
time is strictly of the essence with respect to each and every term, condition, obligation and  
provision hereof.

1           19.7 Governing Law. The parties hereto expressly agree that this Agreement  
2 will be governed by, interpreted under, and construed and enforced in accordance with the  
3 laws of the State of California in which the Property is located. Venue for any proceeding  
4 related to this Agreement shall be in the County of Riverside.

5           19.8 No Recordation. No memorandum or other document relating to this  
6 Agreement shall be recorded without the prior written consent of Seller and Buyer.

7           19.9 Survival. Any provisions of this Agreement which by their terms require  
8 performance by either party after the Close of Escrow shall survive the Close of Escrow.

9           19.10 Brokers. Seller and Buyer represent and warrant to the other that neither  
10 Buyer nor Seller has employed any broker and/or finder to represent its interest in this  
11 transaction. Each party agrees to indemnify and hold the other free and harmless from and  
12 against any and all liability, loss, cost, or expense (including court costs and reasonable  
13 attorney's fees) in any manner connected with a claim asserted by any individual or entity for  
14 any commission or finder's fees in connection with the conveyance of the Property arising out  
15 of agreements by the indemnifying party to pay any commission or finder's fee.

16           19.11 Attachments. Each attachment or exhibit attached hereto is incorporated  
17 herein by this reference as if set forth in full in the body of this Agreement.

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20 ///

1 19.12 Assignment. Buyer shall neither assign Buyer's rights nor delegate  
2 Buyer's obligations hereunder without Seller's prior written consent which may be withheld in  
3 Seller's sole discretion.

4 THIS AGREEMENT WILL BE NULL AND VOID IF NOT EXECUTED BY BUYER and  
5 approved by the Board of Supervisors of the County of Riverside.

6 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the  
7 date and year set forth below.

8 Dated: \_\_\_\_\_

9 **SELLER:**

10 MV RANCHOS L.P., a California Limited  
11 Partnership

12 By:   
13 James Basiger

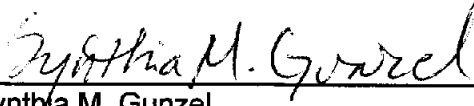
14 **BUYER:**

15 COUNTY OF RIVERSIDE

16 By: \_\_\_\_\_  
17 Marion Ashley, Chairman  
18 Board of Supervisors

19 **APPROVED AS TO FORM:**

20 Pamela J. Walls  
21 County Counsel

22 By:   
23 Cynthia M. Gunzel  
24 Deputy County Counsel

25 **ATTEST:**

Kecia Harper-Ihem  
Clerk of the Board

By: \_\_\_\_\_  
Deputy

JRF:ra 20  
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