

ATTACHMENT A

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

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 City of Victorville, a municipal corporation located in the County of San Bernardino, State of California (“**SELLER**”), and the Mojave Water Agency, a public entity organized and operating pursuant to California Water Code Appendix Section 97-1 seq., (“**BUYER**”). Buyer and Seller are sometimes hereinafter referred to individually as a “Party” and together as the “Parties”.

RECITALS

- A. SELLER is a public agency and the owner of the fee simple interest in certain real property containing approximately +42.33 acres of vacant land, totaling approximately 1,843,893,000 square feet area, having Accessor Parcel Numbers (APN) 3070-401-01, 3070-401-02 and 3070-401-11 in the City’s sphere of influence, and more particularly described in the legal description attached hereto as Exhibit “A” (Property).
- B. BUYER is a public agency and is currently in the process of constructing a regional groundwater recharge facility adjacent to the Property.
- C. BUYER desires to acquire the Property to construct and operate new recharge facilities or other related uses.
- D. SELLER agrees to sell, and BUYER agrees to purchase the Property in fee simple.

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 are 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 Exhibit “A” attached hereto.

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 FIVE HUNDRED SEVENTY FIVE THOUSAND DOLLARS AND 00/100 (\$575,000.00) (“**Purchase Price**”), which shall be deposited with Escrow Holder in accordance with this Agreement.

1.3 Consideration Payment. Within fifteen (15) business days of the opening of escrow, BUYER shall deliver to SELLER the sum of ELEVEN THOUSAND FIVE HUNDRED DOLLARS AND 00/100 (\$11,500.00) (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 non-refundable and shall be retained by SELLER notwithstanding any other provision of this Agreement.

1.4 Within fifteen (15) business days following the Effective Date of this Agreement, BUYER shall deliver to Escrow Officer, Chicago Title Company, as selected by BUYER, ("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 sixty (60) calendar-day period following the Effective Date. All inspections shall be performed by BUYER at BUYER's sole cost and expense. Within ten (10) calendar-days after the Effective Date, SELLER shall deliver to BUYER copies of all title commitments for the Property, any leases; if applicable permits and warranties; plans, surveys, specifications, studies, reports, test results, and other documents pertaining to the physical, geological, or environmental condition of the Property that are in the possession of SELLER ("Property Documents").

2.2 Conditions of the Property.

- (a) The Property shall be conveyed in an "As Is" condition with no warrant or liability, except as otherwise provided herein, express or implied on the part of the SELLER as to the condition of the soil, its geology, or the presence of known or unknown faults or defects.
- (b) It shall be the responsibility solely of the BUYER, at the BUYER's expense, to investigate and determine the soil and seismic conditions of the Property and its suitability for its proposed uses. It shall be the responsibility solely of the BUYER, at the BUYER's expense, to perform all work necessary to prepare the Property for any such uses.

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 Chicago Title Company, as selected by BUYER ("**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 forty-five (45) business 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**, then it shall conclusively be deemed that BUYER has no Title Objections. 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 five (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 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) five (5) 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 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 thirty (30) calendar 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 substantially 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; and (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) Purchase Price less the Consideration Payment, (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, and (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 less the Consideration Payment 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 may 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 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 and the escrow fee of Escrow Holder shall be paid by the BUYER; provided, however, that 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 less the Consideration Payment and 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, and 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) *Condition and Possession.* At least ten (10) business days prior to the Closing Date, SELLER shall remove any of SELLER's personal property and debris and trash from the Property.

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

(e) *Non-Foreign Affidavit*. SELLER shall have executed and deposited into escrow a Non-Foreign Affidavit as required by federal law.

(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.

(i) *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.

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. Each party may at any time or times, waive any of their respective Conditions to Closing in this Section 3.10, as set forth above, to their respective obligations hereunder, but any such waiver shall be effective only if contained in writing, signed, and delivered to the other party.

3.10.5 Escrow Termination. In the event each of the Conditions to Closing in this Section 3.10, as set forth above, is not fulfilled on the Closing Date or such earlier time period as provided for herein or waived, any party hereto may at its option terminate this Agreement and the Escrow(s) opened hereunder, provided that party is not in default of this Agreement. No termination under this Agreement shall release any party then in default from liability for such default. In the event this Agreement is terminated, all documents and funds delivered to Escrow Holder shall be returned immediately to the respective parties.

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

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

(d) 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.

(e) SELLER is not the subject of a current or pending bankruptcy proceeding.

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 will use the Property for the construction of new recharge facilities or other related uses provided any such related uses are consistent with its definition of “**Agency's Use**” as such term is defined in Government Code Section 54221 (c) and used in Government Code Section 54221(f)(1)(D) to preserve SELLER's declaration of Property as “**Exempt Surplus Land**” for purposes of the Surplus Land Act, *Cal. Gov. Code Section 54220 et seq.*

(c) 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.

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

5. RESERVED.

6. DEFAULTS.

6.1 Institution of Legal Actions. Any legal action 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 either (a) personal delivery, (b) reliable 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. Copies are requested via email as identified below. 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: City of Victorville
 c/o Keith C. Metzler
 City Manager
 City of Victorville
 14343 Civic Drive
 Victorville, CA 92392
 (760) 955-4823

with a Copy to: Green de Bortnowsky, LLP
 30077 Agoura Court, Suite 210
 Agoura Hills, CA 91301
 Attn: Andre de Bortnowsky, City Attorney

To BUYER: Mojave Water Agency
 Attention: Allison Febbo, General Manager
 13846 Conference Center Drive
 Apple Valley, California 92307
 Copy via email at: AAanabtawi@MojaveWater.org
 (760) 946-7059

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, or upon confirmation by recipient by email. 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 2.2 ("Hazardous Materials; Indemnification") or 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. SELLER represents to BUYER 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 recognized by BUYER.

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. SELLER and BUYER represent and warrant to each other that they have had no conversations or negotiations with any broker concerning the sale of the Property. Each party agrees to indemnify and hold the other harmless from and against all liabilities, costs, damages, and expenses, including, without limitation, reasonable attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay any additional broker's commission and/or finder's fee.

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.

If authorized by law, the parties shall be entitled to manually sign and transmit this Agreement by electronic means (whether by PDF, or other email transmission) and are entitled to electronically sign and transmit this Agreement via DocuSign, AdobeSign, or other similar digital signature software, which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

7.12 Exhibits. Exhibits “A” and “B” are attached to this Agreement and are incorporated herein by this reference and made a part hereof.

7.13 No Withholding as Foreign Seller. SELLER represents and warrants to BUYER that SELLER is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code section 1445 and that it will deliver to BUYER on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

8. BOARD OF DIRECTORS APPROVAL: This Agreement is subject to and shall have no force or effect until and unless approved by the Mojave Water Agency Board of Directors for BUYER.

9. APPROVAL BY CITY COUNCIL: This Agreement is subject to and shall have no force or effect until and unless approved by the City of Victorville City Council for SELLER.

[Signatures on next page]

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

SELLER:

City of Victorville

By: Keith C. Metzler
Title: City Manager

Date: _____

ATTEST:

Jennifer Thompson, City Clerk

BUYER:

Mojave Water Agency

By: Allison Febbo
Title: General Manager

Date: _____

APPROVED AS TO FORM:

Andre de Bortnowsky, City Attorney

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.

_____, 2022

By: _____

Name: _____

Title: _____

EXHIBIT "A"

Legal Description of the Property

Parcel A: (3070-401-11-0-000)

That Portion Of The Northwest One-Quarter Of The Northwest One-Quarter Of Section 1, Township 4 North, Range 6 West, San Bernardino Meridian, In The County Of San Bernardino, State Of California, According To The Official Government Plat Thereof, Lying Northerly Of The Northerly Line Of The Land Conveyed To The State Of California, By Deed Recorded August 27, 1968 In Book 7083, Page 800 Official Records.

Parcel B: (3070-401-01; 3070-401-02)

Parcels 1 And 4 Parcel Map 1817, In the County Of San Bernardino, State Of California, As Per Map Recorded In Book 16 Of Parcel Maps, Page 20, In The Office Of The County Recorder Of Said County.

EXHIBIT “B”

GRANT DEED

Follows this page

P:\APPS\WPDATA\VVCA\0001\DOCS 2 (9.2.22 -)\002.1 Purchase and Sale Agmt - Mojave Water Agency.Draft ADB rl 9.14.22

RECORDING REQUESTED BY)
CITY OF VICTORVILLE)
)
AND WHEN RECORDED RETURN TO:)
Mojave Water Agency)
13846 Conference Center Drive)
Apple Valley, California 92307)
ATTENTION: Allison Febbo, General Manager)

Exempt from Recording fee's pursuant to CA Gov. Code Section 6103 and/or 27383

(Space above for Recorder's Use)

APNs: 3070-401-01, 3070-401-02 and 3070-401-11

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF VICTORVILLE, a California municipal corporation, ("Grantor"), hereby grants to the Mojave Water Agency, a public entity organized and operating pursuant to California Water Code Appendix Section 97-1 seq. ("Grantee"), right, title and interest in and to the real property described on Exhibit "A", attached hereto and incorporated herein by this reference, together with right, title and interest in and to the appurtenances pertaining thereto.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed on this _____,
2022.

GRANTOR:

CITY OF VICTORVILLE

By: _____
KEITH C. METZLER
CITY MANAGER

EXHIBIT “A” TO GRANT DEED

LEGAL DESCRIPTION

LEGAL DESCRIPTION

PARCEL A: APN 3070-401-11

THAT PTN OF NW1/4 NW1/4 SEC 1 TP 4N R 6W LYING NLY OF THE FOLL DESC LI BEG AT A PT THAT IS S 1 DEG 18 MIN 01 SECOND W 442.98 FT FROM NW CORNER SD SEC 1 TH S 64 DEG 20 MIN 03 SECONDS E 1280.04 FT TH S 55 DEG 36 MIN 23 SECONDS E 158.14 FT TO ELY LI SD NW.

Located in San Bernardino County, California

PARCEL B: APN 3070-401-01 & 3070-401-02

PARCELS 1 AND 4 OF PARCEL MAP 1817, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 16 OF PARCEL MAPS, PAGE 20, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

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

State of California
County of San Bernardino

On _____, before me, _____, Personally appeared
Date Name and Title of the Officer

_____ who proved to me on the basis of satisfactory
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.

Signature _____

Place Notary Seal Above