

## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this “Agreement”) is entered into as of \_\_\_\_\_, 201\_\_, by and among the **CITY OF LANCASTER**, a California charter city and municipal corporation (the “City” or “Buyer”), and **GREGORY F. HANES**, a single person (“Seller”), for acquisition by the City of certain real property described below.

### R E C I T A L S

A. The Seller owns the Property (as defined in Section 1 of this Agreement), which consists of an approximately 0.78 acre parcel of real property located in the City of Lancaster, County of Los Angeles, State of California.

B. The Seller desires to sell the Property to the City and the City desires to purchase the Property from the Seller subject to the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, the City and the Seller hereby agree as follows:

**1. Agreement to Sell and Purchase.** The Seller agrees to sell to the City, and the City agrees to purchase from the Seller, upon the terms and for the consideration set forth in this Agreement, an approximately 0.78 acre parcel of real property generally located at the northwest corner of Yucca Avenue and Avenue J-11 in the City of Lancaster, County of Los Angeles, State of California (Assessor’s Parcel No. 3130-032-032) (the “Property”). The Property is legally described in the Legal Description attached hereto as Exhibit “A” and incorporated herein.

**2. Purchase Price.** The total purchase price for the Property shall be the sum of Seventy Thousand Dollars (\$70,000.00) (the “Purchase Price”). The Purchase Price, together with funds necessary to cover the City’s portion of the costs described in Section 7.7, shall be payable through the deposit into the Escrow of the Purchase Price in immediately available funds, in cash, cashier’s check, or through wire transfer of funds no later than the business day prior to the close of Escrow.

**3. Conveyance of Title.** The Seller agrees to and shall convey by Grant Deed to the City marketable fee simple title to the Property, free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes except such matters which are reasonably acceptable to the City, following the City’s review of the preliminary title report as provided in this Section 3. Within five (5) days after the Effective Date, the Seller shall order a preliminary title report on the Property from a title company mutually agreeable to both parties (the “Title Company”) and cause the Title Company to deliver to the City a standard CLTA preliminary title report (the “Report”), together with legible copies of the documents evidencing the exceptions (“Exceptions”) set forth in the Report. The City shall have seven (7) days from its receipt of the Report within which to give written notice to the Seller of the City’s approval or disapproval of any of such Exceptions. Exceptions approved by the City shall be deemed “Permitted Exceptions.” Failure of the City to act within seven (7) days shall be deemed disapproval of such Exceptions. No deeds of trust, mortgages, or other financial liens, except for the lien of property taxes and assessments not yet due, shall be Permitted Exceptions. If the City

notifies the Seller of its disapproval of any Exceptions in the Report, the Seller shall have the right, but not the obligation, to remove any disapproved Exceptions within seven (7) days after receiving written notice of the City's disapproval or provide assurances satisfactory to the City that such Exception(s) will be removed on or before the close of Escrow. If the Seller cannot or does not elect to remove any of the disapproved Exceptions within the seven (7) day period, the City shall have five (5) days after the expiration of such seven (7) day period to either give the Seller written notice that the City elects to proceed with the purchase of the Property subject to the disapproved Exceptions and without an adjustment of the Purchase Price or to give the Seller written notice that the City elects to terminate this Agreement. The City shall have the right to approve or disapprove any previously unreported Exceptions reported by the Title Company after the City has approved the condition of title to the Property. The Seller shall not voluntarily create any new exceptions to title following the date of this Agreement without the City's prior written consent.

**4. Title Insurance Policy.** The Title Company shall, following recording of the Grant Deed, provide the City with a CLTA, or its equivalent (or ALTA extended coverage at the request of the City), policy of title insurance in the amount of the Purchase Price, issued by the Title Company, together with any endorsements reasonably requested by the City, showing fee simple title to the Property vested in the City, subject only to the exceptions set forth in Section 3 and the printed exceptions and stipulations in the policy (the "Title Policy"). The Seller agrees to pay the premium charged for the CLTA, or its equivalent. In the event the City elects to obtain an ALTA extended coverage title policy, the City shall pay all costs of such policy exceeding the CLTA, or its equivalent policy cost paid by Seller, and shall bear the cost of all title policy endorsements, if any.

**5. Escrow.** Within three (3) business days following execution of this Agreement by the parties, the City and Seller shall open an escrow (the "Escrow") in accordance with this Agreement with \_\_\_\_\_ or another escrow company mutually agreeable to both parties (the "Escrow Agent"). This Agreement, together with the escrow instructions prepared by Escrow Agent and executed by the City and Seller, constitutes the joint escrow instructions of the City and Seller, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this Escrow on or before thirty (30) days from date the Escrow was opened (the "Outside Closing Date").

**5.1 Grant Deed.** Prior to the close of Escrow, the Seller shall execute and deposit with Escrow Agent a Grant Deed (the "Grant Deed") in the form of the Grant Deed which is attached hereto as Exhibit "B" and incorporated herein by this reference. Prior to the close of Escrow, the City shall deposit with Escrow Agent a Certificate of Acceptance, in the form attached hereto as Exhibit "C" and incorporated herein by reference. The City and Seller agree to execute and deposit with Escrow Agent any additional instruments as may be reasonably necessary to complete this transaction.

**5.2 Insurance.** Insurance policies for fire or casualty are not to be transferred, and the Seller will cancel its own policies after close of escrow.

**5.3 Escrow Account.** All funds received in the Escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other escrow trust account in any state or national bank doing business in the State of California. All disbursements shall be made by check from such account.

**6. Property Inspection and Condition.**

**6.1 City Inspection and Indemnification of Seller.** For the twenty (20) day period commencing on the day after the opening of Escrow (the “Due Diligence Period”), the City and any agents of the City shall have the right to enter upon the Property for the purpose of making photographs, surveys, soil, geological, environmental and other tests, and engineering, land use, economic feasibility and other studies. The City shall, upon completion of such photographs, surveys, tests and studies, and if Escrow does not close hereunder, restore the Property to the extent of its condition prior to such photographs, surveys, tests and studies, and deliver to the Seller copies of any and all written reports, documents and surveys, at no cost to the Seller. In accordance with Section 18, the Seller shall deliver to the City, copies of any and all existing reports, tests, and surveys, concerning the Property that are known to the Seller and in the Seller’s possession. The City shall have the right to unilaterally terminate this Agreement, for any reason or no reason at any time on or prior to the expiration date of the Due Diligence Period. The City hereby agrees to and shall indemnify and hold harmless the Seller against and defend from any and all mechanic’s liens, claims, liabilities, costs, expenses, fees (including attorney’s fees), and damages which are claimed, arise out of, or are in any way related to the entry upon, the inspection, testing or study of, or the use of the Property by the City or by any person or entity on behalf of, or at the request of, the City prior to the close of Escrow; provided, however, the City’s obligation to indemnify and hold harmless the Seller shall not apply to any liens, claims, liabilities, costs, expenses, fees (including attorney’s fees), or damages which result from the Seller’s gross negligence or willful misconduct.

**7. Escrow Agent Authorization.** Escrow agent is authorized to, and shall:

**7.1 Tax Adjustment Procedure.** Pay and charge the Seller for any unpaid delinquent property taxes and/or penalties and interest thereon, and for any delinquent assessments or bonds against the Property. Escrow shall prorate the Seller’s taxes and assessments for the current fiscal year.

**7.2 Disbursement.** Disburse funds, record the Grant Deed and Certificate of Acceptance, and deliver the title policy and the Non-Foreign Transferor Declaration to the City, when conditions of the Escrow have been fulfilled by the City and Seller.

**7.3 Close of Escrow.** The term “close of Escrow,” if and where written in these instructions, shall mean the date the Grant Deed and other necessary instruments of conveyance are recorded in the office of the Los Angeles County Recorder. Recordation of instruments delivered through this Escrow is authorized, if necessary or proper in the issuance of the policy of title insurance pursuant to Section 4 hereof.

**7.4 Time Limits.** All time limits within which any matter specified is to be performed may be extended by mutual agreement of the parties. Any amendment of, or supplement to, any instructions shall be in writing.

**7.5 Time of the Essence. TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW SHALL CLOSE ON OR BEFORE THE OUTSIDE CLOSING DATE.** If (except for deposit of money by the City, which shall be made by the City upon demand of Escrow Agent before close of Escrow) this Escrow is not in condition to close on or before the Outside Closing Date, any party who then shall have fully complied with its instructions, may, in writing, demand the return of its money or property; but if neither party has complied, no demand for return shall be recognized until five (5) days after Escrow Agent shall have mailed copies of a demand to all other parties at the respective addresses shown in these Escrow instructions, and if any objections are raised within such five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or by mutual instructions of the parties. If no demands are made, Escrow Agent shall proceed with closing of this Escrow on or before the Outside Closing Date.

**7.6 Escrow Agent Responsibility.** The responsibility of the Escrow Agent under this Agreement is expressly limited to Sections 1, 2, 3, 4, 5, 7, 9, 11 and 31 of this Agreement.

**7.7 Escrow Fees, Charges and Costs.** The City agrees to pay the usual fees, charges, and costs which arise in this Escrow.

**7.8 FIRPTA.** If the provisions of the Foreign Investment in Real Property Transfer Act (“FIRPTA”) or similar state act apply to the transaction memorialized in this Agreement, and unless the Seller is not a “foreign person” or an exemption applies, the Escrow Agent shall deduct and withhold from the Seller’s proceeds ten percent (10%) of the gross sales price and shall otherwise comply with all applicable provisions of FIRPTA and any similar state act. The Seller and City agree to execute and deliver as directed by Escrow Agent any instrument, affidavit, and statement, and to perform any act reasonably necessary to comply with the provisions of FIRPTA and any similar state act and regulation promulgated thereunder.

**7.9 Tax Requirements.** Escrow Agent shall prepare and file with all appropriate governmental or taxing authorities a uniform settlement statement, closing statement, tax withholding forms including an IRS 1099-S form, and be responsible for withholding taxes, if any such forms are provided for or required by law.

**7.10 Closing Statement.** The Seller hereby instructs Escrow Agent to release a copy of the Seller’s escrow closing statement to the City, and the City hereby instructs Escrow Agent to release a copy of the City’s escrow closing statement to the Seller.

**8. Obligations of Seller at Closing.** At the close of Escrow, the Seller shall do the following:

**8.1** Execute, acknowledge and deliver the Deed to Escrow Agent, subject only to the Permitted Exceptions and such other documents required by Escrow Agent to close the Escrow.

**8.2** Deliver possession of the Property to the City.

**9. Conditions Precedent to the Obligations of Seller at Closing.** The obligation of Seller to complete the sale of the Property is subject to the satisfaction of the following conditions:

**9.1** The City shall not be in default of any of its obligations under the terms of this Agreement, and all representations of the City herein shall be true and correct.

**9.2** The City shall have deposited with Escrow Agent immediately available funds in an amount equal to the Purchase Price and the City's share of costs described herein.

**9.3** The City shall deliver through Escrow such documents as are necessary to comply with the City's obligations under this Agreement.

**9.4** The Seller shall not have terminated this Agreement within its rights under this Agreement.

**10. Obligations of City at Closing.** At the close of Escrow, the City shall execute, acknowledge and deliver the Certificate of Acceptance, cause the Escrow Agent to deliver to the Seller the Purchase Price as provided in Section 2, and deliver to Escrow Agent any and all other documents required by Escrow Agent to close the Escrow.

**11. Conditions Precedent to the Obligations of City at Closing.** The obligation of the City to complete the purchase of the Property is subject to the satisfaction of the following conditions:

**11.1** The Seller shall deliver through Escrow an executed and recordable Grant Deed sufficient to convey fee title to the City as set forth in Section 5.1.

**11.2** The Seller shall deliver through Escrow such other documents as are necessary to comply with the Seller's obligations under this Agreement.

**11.3** The Seller shall not be in default of any of its obligations under the terms of this Agreement, and all representations of the Seller herein shall be true and correct.

**11.4** The City shall have approved the condition of title to the Property within the time specified in Section 3 and Escrow Agent shall have committed to deliver to the City the Title Policy as required by Section 4.

**11.5** The City shall not have terminated this Agreement within its rights under this Agreement.

**11.6** The City shall have approved, within the Due Diligence Period, the environmental, structural, and soil condition of the Property.

**11.7** The City shall have accepted and approved the transaction contemplated by this Agreement, which shall be evidenced by execution of this Agreement and related documents and their delivery to Escrow Agent.

**11.8** The Seller shall have delivered to the City the Title Report and all environmental reports related to the Property as required pursuant to Section 18.

## **12. Termination.**

**12.1** If any of the conditions to the close of Escrow are not satisfied as provided in this Agreement, the Party for whose benefit any unsatisfied condition exists may terminate this Agreement and the Escrow, in which event all funds, including interest, and documents deposited by either Party into the Escrow shall be returned to that Party forthwith. In such event, the cancellation charges of the Escrow Agent shall be shared equally between the Parties.

If the Escrow fails to close as a result of the default of either Party, the following shall occur:

**a.** If the Escrow fails to close as a result of the default of the Seller, provided that the City is not itself in default under this Agreement, then the City may, at its option, (i) terminate this Agreement by written notice to the Seller at or prior to the close of Escrow and receive a refund of any deposit of money made by the City and then being held by Escrow Agent, together with all interest accrued thereon, or (ii) pursue an action for specific performance. It is acknowledged and agreed that City shall have no right to monetary damages including, without limitation, actual damages, lost profits, consequential or speculative damages.

**b. IF THE ESCROW FAILS TO CLOSE AS A RESULT OF THE DEFAULT OF THE CITY, PROVIDED THAT THE SELLER IS NOT ITSELF IN DEFAULT UNDER THIS AGREEMENT, THE SELLER SHALL BE RELEASED FROM OBLIGATION TO SELL THE PROPERTY TO THE CITY, BUT SELLER, BY INITIALING THIS SECTION, SHALL HAVE RELEASED THE CITY FROM ANY CLAIMS OR CAUSES OF ACTION ARISING OUT OF SUCH DEFAULT, AND THE SELLER SHALL HAVE AGREED THAT SELLER SHALL BE ENTITLED TO AS LIQUIDATED DAMAGES AN AMOUNT EQUAL TO THREE PERCENT (3%) OF THE PURCHASE PRICE, AND THAT SUCH LIQUIDATED DAMAGES SHALL BE THE SELLER'S SOLE REMEDY AGAINST THE CITY IN REGARD TO SUCH DEFAULT. THE PARTIES HERETO HAVE CONSIDERED THE AMOUNT OF DAMAGES WHICH THE SELLER IS LIKELY TO INCUR IN THE EVENT OF A DEFAULT OR BREACH HEREUNDER BY THE CITY, AND THE PARTIES HERETO HAVE AGREED THAT THE FOREGOING IS A REASONABLE APPROXIMATION AND LIQUIDATION OF THE SELLER'S POTENTIAL DAMAGES, CONSIDERING ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, INCLUDING THE RELATIONSHIP OF THE SUM TO THE RANGE OF HARM TO THE SELLER THAT REASONABLY COULD BE ANTICIPATED AND THE**

**ANTICIPATION THAT PROOF OF ACTUAL DAMAGES WOULD BE COSTLY OR INCONVENIENT. THE RECEIPT AND RETENTION OF SUCH AMOUNT BY THE SELLER IS INTENDED TO CONSTITUTE THE LIQUIDATED DAMAGES TO THE SELLER PURSUANT TO THE CALIFORNIA CIVIL CODE, AND SHALL NOT BE DEEMED TO CONSTITUTE A FORFEITURE OR PENALTY WITHIN THE MEANING OF THE CALIFORNIA CIVIL CODE, OR ANY SIMILAR PROVISION. SAID AMOUNT OF LIQUIDATED DAMAGES SHALL BE IN LIEU OF ANY OTHER REMEDIES, DAMAGES OR SUMS DUE OR PAYABLE TO SELLER. IN PLACING THEIR INITIALS AT THE PLACES PROVIDED, EACH PARTY EXPRESSLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE.**

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Gregory F. Hanes, Seller

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Mark V. Bozigian, City Manager

**13. Rental and Occupancy by Seller.** The Seller has not leased the Property nor conveyed rights of occupancy thereto as of the Effective Date and shall not do so subsequent to the Effective Date.

**14. Loss or Damage to Property.** Loss or damage to the Property (including any structure or improvement thereon), by fire or other casualty, occurring prior to the recordation of the Grant Deed, shall be at the risk of the Seller. In the event that loss or damage to the Property, by fire or other casualty, occurs prior to the recordation of the Grant Deed, the City may elect to terminate this Agreement, require that the Seller pay to the City the proceeds of any insurance policy or policies which may become payable to the Seller by reason thereof, permit such proceeds to be used for the restoration of the damage done, or reduce the Purchase Price by an amount equal to the diminution in value of the Property by reason of such loss or damage or the amount of insurance payable to the Seller, whichever is greater.

**15. Possession and Disposition of Personal Property.** The Seller shall, prior to the close of Escrow, remove or otherwise dispose of all personal property which is located on the Property. All personal property remaining on the Property after the close of Escrow shall become the property of the City and the City may dispose of same without liability as it alone sees fit, and the Seller shall be liable for the costs of removal which are incurred by the City. The City shall not be liable for any loss of or damage to the personal property remaining on the Property, regardless of when loss or damage occurs.

**16. Representations and Warranties of City.**

**16.1 Representations and Warranties of City.** The City hereby represents and warrants to the Seller the following:

**a.** The City has the right, power, legal capacity, and authority to enter into, and perform its obligations under, this Agreement, and no further approvals or consents of any persons other than the City are necessary in connection herewith. The execution and delivery of this Agreement and the consummation of this transaction by the Seller have been duly authorized, and no further corporate authorization is necessary on the part of the City.

b. There is no suit, action, arbitration, or legal, administrative, or other proceeding, or governmental investigation pending or, to the best knowledge of the City, threatened against or affecting the City or affecting the City's ability to perform under this Agreement, which has not been disclosed to the Seller.

**16.2 Survival of Representations and Warranties of City.** The representations and warranties provided in Section 16.1 shall survive the close of Escrow and delivery of the Grant Deed and shall not be affected by an investigation, verification, or approval by either Party or by anyone on behalf of either Party.

**17. Representations and Warranties of Seller.**

**17.1 Representations and Warranties of Seller.** The Seller represents and warrants to the City the following:

a. The Seller has the right, power, legal capacity, and authority to enter into, and perform its obligations under, this Agreement, and no further approvals or consents of any persons other than the Seller are necessary in connection herewith. The execution and delivery of this Agreement and the consummation of this transaction by the Seller have been duly authorized, and no further corporate authorization is necessary on the part of the Seller.

b. There is no suit, action, arbitration, or legal, administrative, or other proceeding, or governmental investigation pending or, to the best knowledge of the Seller, threatened against or affecting the Seller or the Property or affecting the Seller's ability to perform under this Agreement, which has not been disclosed to the City.

**17.2 Survival of Representations and Warranties of Seller.** The representations and warranties provided in Section 17.1 shall survive the close of Escrow and delivery of the Grant Deed and shall not be affected by an investigation, verification, or approval by either Party or by anyone on behalf of either Party.

**18. Seller's Duty to Deliver Environmental Reports.** Within five (5) days following the Effective Date, the Seller shall deliver or cause to be delivered to the City all existing reports known to the Seller and in the Seller's possession related to the environmental condition of the Property. In the event the Seller obtains, commissions, or causes to be prepared a report related to the environmental condition of the Property subsequent to the Effective Date, the Seller shall deliver a true, correct, and complete copy of such report to the City within ten (10) days following the Seller's receipt thereof.

**19. Full and Complete Settlement for Fee Interest.** The total compensation to be paid by the City to Seller is in consideration for all of the Seller's interests in the Property and any rights or obligations which exist or may arise out of the acquisition of the Property for public purposes, including without limitation, the Seller's fee interest in the land and any improvements and fixtures and equipment located thereon, improvements pertaining to the realty (if any), severance damages, relocation assistance, any alleged pre-condemnation damages, loss of



business goodwill, costs, interest, attorney's fees, and any claim whatsoever of the Seller which might arise out of or relate in any respect to the acquisition of the Property by the City.

Upon the City's payment of the Purchase Price, the Seller fully releases and discharges the City from all and any manner of rights, demands, liabilities, obligations, claims, or cause of actions, in law or equity, of whatever kind or nature, whether known or unknown, whether now existing or hereinafter arising, which arise from or relate in any manner to (i) the sale of the Property or the relocation of the Seller or the relocation of any person or persons, business or businesses, or other occupant or occupants located on the Property, including the specific waiver and release of any right to any relocation benefits, assistance and/or payments under California Government Code Section 7260, *et seq.*, notwithstanding that such relocation assistance, benefits and/or payments may be otherwise required under said sections or other state or federal law; and (ii) compensation for any interest in the business operations or the Property including, but not limited to, land and improvements, fixtures, furniture, or equipment thereon, goodwill, severance damage, attorneys' fees or any other compensation of any nature whatsoever.

It is hereby intended that the release contained above relates to both known and unknown claims that the Seller may have, or claim to have, against the City with respect to the subject matter contained herein or the events relating thereto. By releasing and forever discharging claims both known and unknown which are related to or which arise under or in connection with, the items set out above, the Seller expressly waive any rights under California Civil Code Section 1542, which provides:

**“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.”**

**20. Broker's Commission.** The Seller and City each warrants and represents that it has not engaged the services of any agent, finder or broker in connection with the transaction which is the subject of this Agreement, and that it is not liable for any real estate commissions, broker's fees or finder's fees which may accrue by means of the sale of the Property. The Seller and City agree to and do hereby indemnify and hold harmless the other from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings by any broker, agent or finder, licensed or otherwise, including attorneys' fees and costs.

**21. Waiver, Consent and Remedies.** Each provision of this Agreement to be performed by the City and Seller shall be deemed both a covenant and a condition and shall be a material consideration for the Seller's and City's performance hereunder, and any breach thereof by the City or Seller shall be deemed a material default hereunder. Either party may expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the

other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

**22. Attorney's Fees.** In the event that any legal or equitable action is instituted between the Seller, City, and/or Escrow Agent in connection with this Agreement, then as between the City and Seller, the prevailing party shall be entitled to recover from the losing party all of its costs and expenses, including court costs and reasonable attorneys' fees, and all fees, costs and expenses incurred on any appeal or in collection of any judgment.

**23. Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered in person to an officer or duly authorized representative of the other party, or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, or delivered through another reasonably acceptable method, and addressed to the party for whom intended, as follows:

If to Seller: Gregory F. Hanes  
43903 Division Street  
Lancaster, California 93535

If to City: City of Lancaster  
44933 Fern Avenue  
Lancaster, California 93534  
Attention: City Manager

Any such notice, request, demand, consent, approval, or other communication shall be deemed served when received in the event of personal delivery, facsimile transmission, or delivery by insured, guaranteed overnight delivery service, and shall be deemed served on the third day following deposit when deposited in the U.S. mail, postage prepaid. Any party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be deemed fully delivered and received forty-eight (48) hours after mailing as provided above.

**24. Default.** Failure or delay by either party to perform any covenant, condition or provision of this Agreement within the time provided herein shall constitute a default under this Agreement. The injured party shall give written notice of default to the defaulting party, specifying the alleged default. The defaulting party shall promptly commence to cure such default and shall diligently complete such cure within thirty (30) days from the date of the notice, or such longer period if the nature of the default is such that more than thirty (30) days are

required to cure such default. The injured party shall have the right to terminate this Agreement by written notice to the other party in the event of a default which is not cured within the time set forth herein.

**25. Gender and Number.** In this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate.

**26. Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the parties relative to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby extinguished and merged herein.

**27. Captions.** The captions used herein are for convenience only and are not a part of this Agreement and shall not in any way limit or amplify the terms and provisions hereof.

**28. Governing Law.** This Agreement and the exhibits attached hereto have been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California.

**29. Invalidity of Provision.** If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

**30. Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by, and executed on behalf of both, the City and Seller.

**31. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

**32. Time of Essence.** Time is of the essence of each provision of this Agreement

**33. Binding Upon Successors.** The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereof. Whenever the term “Buyer”, “City” or “Seller” is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

**34. Assignment.** Neither party may assign its rights under this Agreement without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld.

**35. Covenant of Good Faith.** In exercising their respective rights and in performing their respective obligations as provided in this Agreement, the Parties shall always act reasonably and in good faith.

**36. Further Acts.** Each Party shall cooperate with the other Party to accomplish the transaction described herein including the execution of such additional documents and the performance of such additional documents and the performance of such additional acts as may be reasonably required to accomplish the same.

**37. Reference to Days.** Unless expressly stated to the contrary herein, every reference in this Agreement to days shall be deemed a reference to calendar days.

**[Signatures begin on following page]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the day and year set forth herein above.

**CITY:**

**CITY OF LANCASTER**, a California municipal corporation and charter city

By: \_\_\_\_\_  
Name: Mark V. Bozigian  
Its: City Manager

**ATTEST:**

\_\_\_\_\_  
Britt Avrit, CMC, City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Allison E. Burns, Esq., City Attorney

**SELLER:**

By: \_\_\_\_\_  
Name: Gregory F. Hanes, Seller

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

That real property located in the City of Lancaster, County of Los Angeles, State of California, and described as follows:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 7 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND APPROVED BY THE SURVEYOR GENERAL, JUNE 19, 1856, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID SOUTHEAST QUARTER WITH THE WEST LINE OF THE EAST 630 FEET OF SAID SOUTHEAST QUARTER; THENCE ALONG THE SAID WEST LINE SOUTH 0° 37' 00" EAST 659.05 FEET TO THE TRUE POINT OF BEGHINNING; THENCE CONTINUING SOUTH 0° 37' 00" EAST 164.77 FEET; THENCE SOUTH 89° 36' 39" WEST 197.22 FEET, MORE OR LESS TO THE EASTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD COMPANY'S 200 FOOT RIGHT OF WAY; THENCE NORTHERLY ALONG THE SAID EASTERLY LINE TO A LINE WHICH BERS SOUTH 89° 36' 39" WEST FROM THE TRUE POINT OF BEGINNING; THENCE THEREON NORTH 89° 36' 39" EAST 216.96 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGBINNING.

**EXHIBIT "B"**

RECORDING REQUESTED BY )  
AND WHEN RECORDED MAIL TO: )  
)  
City of Lancaster )  
44933 Fern Avenue )  
Lancaster, California 93534 )  
Attention: Engineering )  
)

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This document is exempt from payment of a recording fee pursuant to Government Code Section 27383.

Exempt from payment of Documentary Transfer Tax pursuant to Revenue and Taxation Code Section 11922

APN: 3130-032-032

**GRANT DEED**

**FOR VALUE RECEIVED, GREGORY F. HANES**, a single person, hereby grants to the **CITY OF LANCASTER**, a California charter city and municipal corporation, subject to all rights, reservations, restrictions, and encumbrances of record as of the date hereof, all that certain real property located in the City of Lancaster, County of Los Angeles, State of California, more particularly described in Attachment No. 1 attached hereto and incorporated herein.

**IN WITNESS WHEREOF**, grantors have executed this Grant Deed as of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_,  
GREGORY F. HANES, a single person

## **ATTACHMENT NO. 1**

### **PROPERTY DESCRIPTION**

That real property located in the City of Lancaster, County of Los Angeles, State of California, and described as follows:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 7 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND APPROVED BY THE SURVEYOR GENERAL, JUNE 19, 1856, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID SOUTHEAST QUARTER WITH THE WEST LINE OF THE EAST 630 FEET OF SAID SOUTHEAST QUARTER; THENCE ALONG THE SAID WEST LINE SOUTH  $0^{\circ} 37' 00''$  EAST 659.05 FEET TO THE TRUE POINT OF BEGHINNING; THENCE CONTINUING SOUTH  $0^{\circ} 37' 00''$  EAST 164.77 FEET; THENCE SOUTH  $89^{\circ} 36' 39''$  WEST 197.22 FEET, MORE OR LESS TO THE EASTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD COMPANY'S 200 FOOT RIGHT OF WAY; THENCE NORTHERLY ALONG THE SAID EASTERLY LINE TO A LINE WHICH BERS SOUTH  $89^{\circ} 36' 39''$  WEST FROM THE TRUE POINT OF BEGINNING; THENCE THEREON NORTH  $89^{\circ} 36' 39''$  EAST 216.96 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGBINNING.



STATE OF CALIFORNIA )  
 )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, Notary Public,  
(Print Name of Notary Public)

personally appeared \_\_\_\_\_

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

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

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

### OPTIONAL

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

#### CAPACITY CLAIMED BY SIGNER

#### DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

\_\_\_\_\_  
Title Or Type Of Document

- Partner(s)       Limited
- General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

\_\_\_\_\_  
Number Of Pages

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

\_\_\_\_\_  
Date Of Documents

\_\_\_\_\_  
Signer(s) Other Than Named Above

**EXHIBIT "C"**

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by written deed or grant deed dated \_\_\_\_\_, 20\_\_\_\_, from **GREGORY F. HANES**, a single person, to the **CITY OF LANCASTER**, a California charter city and municipal corporation, is hereby accepted by the undersigned officer on behalf of the City of Lancaster pursuant to authority conferred by Resolution No. \_\_\_\_\_ of the City of Lancaster adopted on \_\_\_\_\_, 20\_\_\_\_, and the grantee consents to recordation thereof by its duly authorized officer.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**CITY OF LANCASTER**, a California municipal corporation and charter city

By: \_\_\_\_\_  
Name: Mark V. Bozigian  
Its: City Manager