

**AGREEMENT FOR ACQUISITION OF REAL PROPERTY
(Easement)**

THIS AGREEMENT (“**Agreement**”) is entered into as of this ____ day of _____, 2024 by and between the COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California (“**Buyer**”), and ANTHONY VINEYARDS, INC., a California Corporation (“**Seller**”) for acquisition by Buyer of certain easement rights described herein. Buyer and Seller are sometimes individually referred to herein as “**Party**” and collectively as “**Parties.**” The Property is being acquired in connection with the Garfield Mitigation Project (“**Project**”).

IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. AGREEMENT TO CONVEY/RELOCATE EASEMENT. Seller is owner of that real property known as Assessor Parcel Numbers 729-140-011 and 729-140-012 in Riverside County, California, more particularly described in Exhibit “A” attached hereto (“**Property**”). Construction of the Project requires the acquisition by Buyer of an easement affecting the Property. The portion of the Property affected by the Easement is hereafter referred to as the “**Easement Area**” as more fully described in exhibits to the Grant of Easement attached hereto and incorporated herein by this reference as Exhibit “B”. Seller agrees to sell the Easement to Buyer and Buyer agrees to purchase the Easement from Seller upon the terms and for the consideration set forth in this Agreement.

2. PURCHASE PRICE. The total purchase price for the Easement, payable in cash through escrow, shall be the sum of TWENTY-ONE THOUSAND DOLLARS and NO CENTS (\$21,000.00) (“**Purchase Price**”).

3. CONVEYANCE OF EASEMENT.

3.1 Seller agrees to sell and convey to Buyer the Easement as set forth in Exhibit “B” attached hereto. In order to assure that the Easement cannot be eliminated through foreclosure or other enforcement of an existing mortgage, deed of trust, lien or judgment of record, Seller agrees that the holders of any such mortgages, deeds of trust, judgments or liens will subordinate their interests to the Easement in accordance with subordination provisions attached to the Grant of Easement or such other Subordination Agreement or documentation as may be approved by Buyer.

3.2 [Reserved].

4. TITLE INSURANCE POLICY; SUBORDINATION. At Buyer’s election, Escrow Holder shall, upon Closing, provide Buyer with an ALTA Standard Coverage Policy of Title Insurance in the amount of the Purchase Price issued by First American Title Company (“**Title Company**”), insuring the priority of the Easement as senior to any mortgages, deeds of trust, judgments or other liens. If the Property is subject to a mortgage, deed of trust or other lien which, through foreclosure, could cause the Easement to be wiped out, Seller will obtain from the holder(s) of such lien(s) subordination documentation sufficient to assure that the Easement

becomes senior to such lien(s). Buyer will pay the title insurance premium and any endorsements required by Buyer.

5. ESCROW. Within five (5) business days following the date upon which this Agreement is executed by the final party executing the same ("**Effective Date**"), Seller and Buyer shall open an escrow ("**Escrow**") for the conveyance of the Easement with First American Title Company ("**Escrow Holder**"). Escrow shall be deemed open on the date Escrow Holder shall have received a copy of this Agreement, fully executed by the Parties ("**Opening of Escrow**"). Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened. Escrow Holder shall prepare escrow instructions implementing the terms and provisions of this Agreement. In the event of any inconsistency between such instructions and the provisions of this Agreement, this Agreement will govern. "**Close of Escrow**" or "**Closing**" refers to the date the Grant of Easement is/are recorded in the office of the Riverside County Recorder. Close of Escrow will occur thirty (30) days after it is opened or sooner as agreed by the parties. If Buyer determines that an escrow is not necessary, the Closing shall occur when Buyer has paid the Purchase Price to Seller and recorded the Grant of Easement in the office of the Riverside County Recorder.

6. ESCROW FEES, CHARGES AND COSTS. Buyer agrees to pay all Buyer's and Seller's usual fees, charges, and costs which arise in this escrow. Seller shall be responsible for payment of any administrative fees required in order to obtain the subordination of mortgages, deeds of trust or other monetary liens and encumbrances affecting the Property. No recording fee will payable, pursuant to Government Code Section 27383. No documentary transfer tax will be payable, pursuant to Revenue & Taxation Code Section 11922.

7. FULL AND COMPLETE SETTLEMENT.

7.3 Full Satisfaction. Seller acknowledges that, in accordance with applicable provisions of California law, Seller may otherwise be entitled to the payment of relocation expenses, compensation for loss of goodwill, just compensation, inverse condemnation, unlawful pre condemnation conduct, and other benefits and claims other than those expressly provided for in this Agreement (collectively, "**Claims**") in connection with Buyer's acquisition of the Easement. Seller, on behalf of itself and its heirs, executors, administrators, successors and assigns, acknowledges that Buyer's performance under this Agreement constitutes full and complete satisfaction of Buyer's obligations to Seller as with respect to those Claims.

7.4 Waivers and Releases. Seller hereby waives, to the maximum legal extent, any and all Claims, remedies and causes of action for damages, liabilities, losses or injuries related to Buyer's acquisition of the Easement, whether known or unknown, foreseeable or unforeseeable. The Parties hereto agree that this Agreement is being entered into in order to avoid litigation and in lieu of Buyer's exercise of its eminent domain authority and shall not, in any manner, be construed as an admission of the fair market value of the Easement, or of any liability by any party to this Agreement. Seller, on behalf of itself and its heirs, executors, administrators, successors and assigns, hereby fully releases Buyer, its successors, agents, representatives and assigns, and all other persons and associations, known and unknown, from all Claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of Buyer's purchase of the Easement or any preliminary steps thereto.

7.5 California Civil Code Section 1542. Seller hereby acknowledges that it has either consulted with legal counsel, or had an opportunity to consult with legal counsel, regarding, the provisions of California Civil Code Section 1542, which provides:

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

Seller acknowledges that with respect to the sale of the Easement to Buyer, Seller may have sustained damage, loss, costs or expenses which are presently unknown and unsuspected, and such damage, loss, costs or expenses which may have been sustained, may give rise to additional damage, loss, costs or expenses in the future. Nevertheless, Seller hereby acknowledges, represents and warrants that this Agreement has been negotiated and agreed upon in light of that situation, and hereby waives, to the maximum legal extent, any rights accruing to it under Section 1542 or other statute or judicial decision of similar effect.



Seller's Initials

This acknowledgment and release shall survive the Close of Escrow.

8. REMAINDER PARCEL CURATIVE WORK AND RIGHT OF ENTRY.

Right of Entry. Seller hereby grants to Buyer, its authorized agents or contractors, the right to enter upon the Property upon forty-eight (48) hours prior written notice to make necessary and reasonable inspections. Buyer shall indemnify, defend and hold harmless Seller, its officers, directors, shareholders, agents and employees against any and all liability, claims, actions, causes of action, or demands whatsoever against them, or any of them, arising out of or in connection with the performance of any investigation or other activities upon the Property contemplated herein. Should Buyer's right to purchase the Property terminate, Buyer shall immediately thereafter, at its expense, restore any damage to the Property or such portion thereof directly caused by the conduct of any such investigations so as to restore the Property (or such portion thereof) to a condition as close as possible to the same condition in which it was prior to Buyer's entry onto the Property. In case Buyer shall fail to restore the Property (or such portion thereof) to its prior condition within ten days after written notice from Seller, Seller may proceed with such restoration work at the expense of Buyer. Costs and expenses so incurred by Seller shall be reimbursed by Buyer within ten days of written demand therefor.

9. RENTAL AND LEASEHOLD INTEREST. Seller warrants that there are no third parties in possession of any portion of the Easement Area as lessees, tenants at sufferance, trespassers, or invitees, and that there are no oral or written recorded or unrecorded leases or other agreements concerning all or any portion of the Easement Area exceeding a period of one month. Seller further agrees to hold Buyer harmless and reimburse Buyer for any and all losses and

expenses occasioned by reason of any lease affecting the Easement Area not disclosed to Buyer as set forth herein.

10. WARRANTIES, REPRESENTATIONS, AND COVENANTS OF SELLER.
Seller hereby warrants, represents, and/or covenants to Buyer that:

(a) Authority. Seller has full power and authority to sell and convey the Property to Buyer and to perform its obligations pursuant to this Agreement. This Agreement and all other documents delivered by Seller to Buyer now or at Close of Escrow have been or will be duly executed and delivered by Seller and are or will be legal, valid and binding obligations of Seller, sufficient to convey title to the Property to Buyer and are enforceable in accordance with their respective terms.

(b) No Unrecorded Possessory Interests; No Agreements or Undertakings. To Seller's actual knowledge, there are no agreements for occupancy in effect for the Property and no unrecorded possessory interests or unrecorded agreements that would adversely affect Buyer's title to or use of the Property. Seller will not enter into any agreements or undertake any obligations prior to Close of Escrow which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Buyer, including, without limitation, any agreements for occupancy for the Property. As used in this Agreement, the term "**Seller's actual knowledge**" or any other similar term means the current, actual knowledge of Anthony Bianco and Paul Loeffel without investigation or inquiry or duty of investigation or inquiry, and shall not include any implied, imputed or constructive knowledge of such individuals. The parties acknowledge and agree that Anthony Bianco and Paul Loeffel shall have no personal liability in any manner whatsoever hereunder or otherwise related to the transactions contemplated hereby. Seller represents and warrants that Anthony Bianco and Paul Loeffel are the representatives of Seller with the most knowledge of the Property and the subject matter of Seller's representations and warranties set forth in this Agreement. All representations and warranties of Seller in this Agreement shall survive the Closing for a period of one (1) year.

(c) Hazardous Materials. Seller is aware of its obligation under California Health and Safety Code Section 25359.7 to disclose information to Buyer regarding the environmental status of the Property. Seller warrants to Buyer that to the Seller's actual knowledge, the Property is not in violation of any federal, state or local statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Property, including, without limitation, soil and groundwater conditions underlying the Property which could affect the Property or its use or development. To Seller's actual knowledge, no person has used, generated, manufactured, stored or disposed of on, under or about the Property or transported to or from the Property any "**Hazardous Materials**" as defined in any state, federal or local statute, ordinances, rules or regulation applicable to the Property, including without limitation any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances; except herbicides, fungicides, pesticides, rodenticides and other chemicals applied to crops on the Property in accordance with standard farming practices that were stored, mixed and used in compliance with all laws, regulations and label requirements and which were not released on the Property, and except for diesel and oil in normal quantities needed to operate farm mechanical equipment, which were not released on the Property.

Seller agrees to indemnify, defend and hold Buyer harmless from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, attorneys' fees), resulting from, arising out of, or based upon (i) the presence, release, use, generation discharge, storage, or disposal of any Hazardous Material on, under, in or about, or the transportation of any such materials to or from, the Property, or (ii) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment, or license relating to the use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in, or about, to or from, the Property. This indemnity shall include, without limitation, any damage, liability, fine, penalty, punitive damage, cost, or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease, or death, tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, pollution, contamination, leak, spill, release, or other adverse effect on the environment). This indemnity extends only to liabilities associated with Buyer's use of the Easement Area. Seller shall not be responsible for acts or omissions by Buyer, its agents, employees and representatives in the exercise of their rights under the Easement. Notwithstanding anything set forth in this Agreement to the contrary, Seller's aggregate liability pursuant to this Agreement, including but not limited to this Section 10(c), shall not exceed the amount of the Purchase Price, and Seller shall have no further liability to Buyer or its successors or assigns thereafter.

(d) Litigation. There are no claims, actions, suits or proceedings continuing, pending or, to Seller's actual knowledge, threatened against or affecting the Property, or involving the validity or enforceability of this Agreement or of any other documents or instruments to be delivered by Seller at Close of Escrow, at law or in equity, or before or by any federal, state, municipal or other governmental department, board, commission, bureau, or instrumentality. Seller is not subject to or in default under any notice, order, writ, injunction, decree or demand of any court or any governmental department, board, commission, bureau, or instrumentality.

(e) No Breach. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby will not violate or result in any breach of or constitute a default under or conflict with or cause any acceleration of any obligation with respect to any provision or restriction of any lien, lease, agreement, contract, instrument, or, according to Seller's actual knowledge, any order, judgment, award, decree, statute, regulation or ordinance, or any other restriction of any kind or character to which Seller is a party or by which Seller or the Property are bound.

(f) No Condemnation or Other Proceedings. Seller is unaware of any contemplated condemnation of the Property or any portion thereof by any other public entity.

(g) No Encroachments. To Seller's actual knowledge, there are no encroachments onto the Easement Area by improvements on any adjoining property.

(h) Until the Closing, Seller shall not do anything which would impair Seller's title to the Property.

(i) Until the Closing, Seller shall, upon learning of any fact or condition which would cause any of the warranties and representations in this Agreement not to be true as of Closing, immediately give written notice of such fact or condition to Buyer.

11. COUNTERPARTS. This Agreement may be executed in counterparts, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original, and all such counterparts together shall constitute one and the same instrument.

12. CONTINGENCY. It is understood and agreed between the parties hereto that the completion of this transaction, and the escrow created hereby, is contingent upon the specific acceptance and approval of the Buyer herein. The execution of these documents and the delivery of same to Escrow Holder constitutes said acceptance and approval.

13. NO BROKERS. Buyer and Seller each represents to the other that no brokers have been involved in this transaction. Buyer and Seller agree to indemnify one another against any claim, suits, damages and costs incurred or resulting from the claims of any person for any fee or compensation due in connection with this transaction pursuant to a written agreement made with said claimant.

14. JURISDICTION AND VENUE. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties consent to the jurisdiction of the California courts with venue in Riverside County.

15. ASSIGNMENT. 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 hereto. Buyer may freely assign any or all of its interests or rights under this Agreement or under the Escrow without the consent of Seller.

16. COOPERATION. Each party agrees to cooperate with the other in the closing of this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Agreement including, but not limited to, releases or additional agreements.

17. ENTIRE AGREEMENT, WAIVER AND MODIFICATION. This Agreement, together with escrow instructions executed by the parties, will constitute the entire Agreement between the parties with respect to the subject matter of this Agreement. It supersedes all prior agreements and understandings, whether oral or written, between the parties with respect to the matters contained in this Agreement. Any waiver, modification, consent or acquiescence with respect to any provision of this Agreement shall be set forth in writing and duly executed by or on behalf of the party to be bound thereby. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

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SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth hereinabove.

BUYER

COACHELLA VALLEY WATER
DISTRICT, a public agency of the State of
California

Date: _____

By: _____
J. M. Barrett, General Manager

MAILING ADDRESS OF BUYER

75515 Hovley Lane East
Palm Desert, CA 92211

SELLER:

ANTHONY VINEYARDS, INC., a
California Corporation

Date: 7/24/2024

By: Paul Loeffel
Paul A. Loeffel, CFO

MAILING ADDRESS OF SELLER

PO BOX 9578
Bakersfield, CA 93389

LIST OF EXHIBITS

Exhibit "A" - Legal Description of Property

Exhibit "B" - Grant of Easement

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1: (APN: 729-140-011)

THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 7 SOUTH, RANGE 9 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 2: (APN: 729-140-012)

THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 7 SOUTH, RANGE 9 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXHIBIT "B"

GRANT OF EASEMENT

[See Attached]

Exemption from recording fee per Govt.
Code §27383 and SB(2) fee per Govt. Code
§27388.1 (a)(2)(D) executed or recorded by
the State or any county, municipality, or other
political subdivision of the state
Rev. & Tax Code § 11922

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

COACHELLA VALLEY WATER DISTRICT
Post Office Box 1058
Coachella, California 92236

APN:729-140-011 & 729-140-012
TRA: 058-017
DTT: -0-

Space above this line is for Recorders use)

FILE: 0643.3
0655.
NP2204

GRANT OF EASEMENT

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged **ANTHONY VINEYARDS, INC., a California Corporation** (“Grantor”) hereby grants to **COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California** (“Grantee”), and its successors and assigns, a perpetual, nonexclusive easement and right-of-way to install, construct, survey, reconstruct, remove and replace, operate, maintain, repair, and improve underground pipeline(s) and necessary devices and appurtenances thereto (“Pipeline(s)”) in or under, that certain real property in the County of Riverside, State of California, described in **Exhibit “A”** and depicted on **Exhibit “B”** attached hereto (such rights being described hereafter as the “Easement” and the area affected thereby, the “Easement Area”).

The Pipeline(s) may be installed pursuant to this Easement at different times and over a period of time.

The Pipeline(s) and every part thereof shall, where it crosses Grantor’s property of which the Easement Area is a part (“Grantor’s Property”) be confined to the Easement Area and shall be constructed by Grantee with sufficient ground cover (i.e., distance between ground surface and top of Pipeline(s)) as shown on the construction plans for the Pipeline(s), and such construction and installation shall comply with all applicable laws, rules, and regulations. The ground cover shall not be changed by any party in any manner that may reasonably interfere with the use of the Easement Area by Grantee. Fixtures and appurtenances used or useful in the operation of the Pipeline(s) may be constructed within the Easement Area in accordance with the construction plans. All trenches and other excavations made by the Grantee upon the premises at any time shall be backfilled as soon as practicable and the surface of the ground restored to a contour and condition satisfactory to Grantor. Upon request, Grantee shall furnish Grantor with a map showing the final location of the Pipeline(s) and all appurtenant valves, fittings or other equipment located in the Easement Area.

The Easement includes (a) the right to enter Grantor’s Property to survey, construct, reconstruct, lay, relay, maintain, operate, control, use and remove the Pipeline(s), fixtures, appurtenances, and to remove objects located within the Easement Area interfering with the construction, operation and maintenance thereof; and (b) a reasonable right of access across Grantor’s Property, by means of any existing roads or other routes as shall occasion the least inconvenience to Grantor, to and from the Easement Area for the purpose of exercising the rights granted herein. Grantee shall, at all times, maintain its Pipeline(s) in a safe and sound condition of repair in accordance with all with all applicable laws, rules, and regulations. Except as otherwise specified herein, Grantee shall keep the Easement Area open, clear and free from buildings, structures, or other improvements of any kind not otherwise specified in the construction plans.

Grantor shall, at its request, have the right to approve all plans and specifications for the construction called for hereunder and all construction shall conform to said plans and specifications unless deviations therefrom have been approved by Grantor in writing. Grantor shall have the right to inspect, at Grantee's expense, any construction undertaken hereunder and Grantee shall respond to all requests by Grantor to conform construction to the plans and specifications approved by Grantor, if any.

Grantor reserves the right to occupy and use Grantor's Property for any purpose not inconsistent with the rights and privileges above granted and which will not interfere with or endanger the Pipeline(s) or the use thereof. Grantee shall use due care in the construction, operation and maintenance of the Pipeline(s).

Grantee shall indemnify, defend and hold harmless Grantor, its officers, directors, shareholders, agents and employees against any and all liability, claims, actions, causes of action, or demands whatsoever against them, or any of them, before administrative or judicial tribunals of any kind whatsoever, arising out of, connected with, or caused by Grantee, Grantee's employees, agents, independent contractors, and provisions of this Easement whether or not caused in part by a party indemnified hereunder, except of Grantor's sole active negligence or willful misconduct.

Grantee, in its exercise of the rights provided by the Easement, shall not be liable to Grantor or parties claiming under Grantor for the removal of any mutually agreed upon permanent plantings located within the Easement Area.

In the event of any legal action, arbitration or other action or proceeding between the parties hereto arising out of or relating to any of the provisions hereof, or because of an alleged dispute, breach, default, or misrepresentation in connection with this Agreement, the prevailing party in such action shall be entitled, in addition to any other relief as may be granted, to all costs and expenses, including reasonable attorney's fees incurred therein by such prevailing party. The amount of the attorneys' fees shall be determined by the court in such action or in a separate action for that purpose. The prevailing party shall be the party who is entitled to recover his costs of suit, whether or not the suit proceeds to final judgment. If no costs are awarded, the prevailing party shall be determined by the Court

No amendment, change, or modification shall be binding unless executed in writing by all of the parties. No waiver by any party of any of the provision of this Agreement shall be deemed a waiver of any other provision, whether or not similar, nor shall any waiver be construed as a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver

This Agreement may be executed in one or more counterparts and delivered via mail, facsimile, or electronic mail, each of which will be deemed an original, but all of which together will constitute one and the same instrument which may be sufficient evidenced by one counterpart.

Venue for any action arising out of this Agreement brought by any party hereto will be the Superior Court in and for the County of Riverside, California. This Agreement shall be interpreted, construed and enforced in accordance with the internal laws, and not the law of conflicts, of the State of California applicable to agreements made and to be performed in such state. The parties agree that all claims in respect of the action or proceeding will be heard and determined by such court, and agree not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each of the parties waive any defense or inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

Doc. No. _____

GRANTOR

ANTHONY VINEYARDS, INC., a California Corporation

Date _____

By _____

Its _____

GRANTEE

COACHELLA VALLEY WATER DISTRICT,
a public agency of the State of California

Date _____

By _____

Its _____

Doc. No. _____

ENG RW-004
(Rev. 3/21/24)

