

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is dated for reference purposes as of _____, 2022, by and between **MONROE 52 BUILDERS, LLC, a California limited liability company** ("**Buyer**") and **COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California** ("**Seller**").

RECITALS:

A. Seller is the owner of that certain real property located in the County of Riverside, State of California, more particularly described on **Exhibit "A"** attached hereto and incorporated herein by this reference (the "**Property**").

B. Buyer desires to acquire and Seller desires to sell the Property for the consideration and on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. AGREEMENT TO PURCHASE AND SELL.

Seller agrees to sell, assign and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller's right, title and interest in and to the Property.

2. PURCHASE PRICE.

The purchase price for the Property is FIFTEEN THOUSAND DOLLARS & 00/100 (\$15,000.00) (the "**Purchase Price**"). The Purchase Price shall be paid in cash to Seller by Buyer on or before the Closing (as hereinafter defined) as follows:

Deposit. Seller has deposited \$10,000 ("**Deposit**") with Buyer for consideration of costs associated with this Agreement transaction, including but not limited to, legal and staff costs, survey, and CEQA filing fees.

3. TITLE.

(a) Title Report. Attached hereto as **Exhibit "B"** and by this reference incorporated herein is a preliminary report ("**PTR**") pertaining to the Property prepared by Stewart Title of California, Inc. ("**Title Company**") dated September 8, 2022 and referenced as Order No. 1389042.

(b) Title Exceptions. Buyer shall take title subject to all exceptions shown in the PTR ("**Permitted Exceptions**") and such other exceptions which do not materially affect the use of the Property by Buyer. If exceptions other than the Permitted Exceptions, exist which cannot be removed prior to the Close of Escrow (as defined in Section 8) and such exceptions materially affect the use of the Property, Buyer shall elect, by giving written notice to Seller and

Escrow Company, (i) to terminate this Agreement, or (ii) to waive its disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. In the event Buyer elects to terminate this Agreement, Escrow Company shall return to Buyer the Deposit, less escrow, title and cancellation fees and both parties shall be relieved from any liabilities and/or obligations under this Agreement.

(c) Title Policy. Title Company shall issue, at the Closing, a CLTA Standard Owners Policy of Title Insurance (the “**Title Policy**”) together with endorsements reasonably requested by Buyer, with liability equal to the Purchase Price, subject only to (A) the Permitted Exceptions; (B) the standard printed exceptions and conditions in the Title Policy; and (C) the general and special taxes and assessments not then delinquent and a lien, if any, for current real property taxes for the fiscal year in effect at the time of the Closing.

4. ESCROW.

(a) Opening of Escrow. Within two (2) days after the Effective Date (defined in Section 12 below), Buyer and Seller each shall deposit a counterpart of this Agreement executed by such party (or either of them shall deposit a copy executed by both Buyer and Seller) with Stewart Title of California, Inc. (“**Escrow Company**”). Buyer and Seller instruct Escrow Company to accept and act upon electronic copies of signed documents, including this Agreement, but not including documents that will be recorded. This Agreement, together with such further instructions, if any, as the parties shall provide to Escrow Company by written agreement, shall constitute the escrow instructions. Escrow shall be deemed open (“**Opening of Escrow**” or “**Opening Date**”) upon Escrow Holder’s receipt of a fully executed copy or executed counterparts of this Agreement. Buyer and Seller agree to be bound by Escrow Company’s proforma instructions or letter of acceptance, including Escrow Company’s general provisions; provided, however, that in the event of any inconsistency between such additional documents and this Agreement, this Agreement will govern.

(b) Funds and Documents. Seller shall make its deposits into escrow in accordance with Section 6. Buyer shall make its deposits into escrow in accordance with Section 7.

(c) Prorations. Escrow Company shall prorate real property taxes and assessments on the Property as of the Close of Escrow for the current fiscal year based on the most current official real property tax information available from the County Assessor’s office where the Real Property is located or other assessing authorities. If real property tax and assessment figures for the current fiscal year are not available, real property taxes shall be prorated based on real property taxes for the previous year. Seller is a public agency and generally not liable for real property taxes for its period of ownership of the Property. Buyer hereby acknowledges that Seller may receive a supplemental tax bill covering real property taxes and assessments covering its ownership of the Property from the Close of Escrow.

(d) Closing Costs. Buyer shall pay: (a) the documentary transfer tax due (which transfer tax shall not be posted on the Grant Deed), if any in connection with the consummation of this transaction, (b) the premium for the Title Policy equal to the amount of a CLTA standard coverage owner’s policy and (c) one hundred percent (100%) of all other

escrow, title and closing costs. Pursuant to Government Code Section 27383, no recording fee will be payable with respect to the recording of the Grant Deed.

5. CONDITIONS PRECEDENT.

(a) Buyer's Conditions Precedent. The following shall be conditions precedent to Buyer's obligation to consummate the purchase and sale transaction contemplated herein (the "**Buyer's Conditions Precedent**"):

(i) Buyer shall not have terminated this Agreement in accordance with the provisions of Section 3(b) above.

(ii) Seller shall have delivered to the Escrow Company the items described in Section 6.

(iii) Title Company shall have agreed to issue the Title Policy to Buyer pursuant to Section 3(c) above.

The conditions set forth in this Section are solely for the benefit of Buyer and may be waived only by Buyer. Buyer shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions; provided that such waiver is in writing. In the event that the conditions are not satisfied or waived by the Buyer, in writing, on or before the Closing, Escrow Company shall return to Buyer the Deposit and interest earned thereon, less title and escrow cancellation fees and both parties shall be released from any liabilities or obligations under this Agreement.

(b) Seller's Conditions Precedent. The following shall be conditions precedent to Seller's obligation to consummate the purchase and sale transaction contemplated herein (the "**Seller's Conditions Precedent**"):

(i) Buyer shall not have terminated the Agreement in accordance with the terms of this Agreement.

(ii) Buyer shall have delivered to Escrow Company, prior to the Closing, for disbursement as directed hereunder, all cash or other immediately available funds due from Buyer in accordance with this Agreement.

(iii) Buyer shall have delivered to Escrow Company the items described in Section 7.

The conditions set forth in this Section are solely for the benefit of Seller and may be waived only by Seller. Seller shall, at all times prior to the termination of this Agreement, have the right to waive any of these conditions; provided that such waiver is in writing. In the event that the conditions are not satisfied or waived by the Seller, in writing, on or before the Closing, Escrow Company shall return to Buyer the Deposit and interest earned thereon, less title and escrow cancellation fees, and both parties shall be released from any liabilities or obligations under this Agreement.

6. SELLER'S CLOSING DELIVERIES.

At least two (2) business days prior to the Closing, Seller shall deliver or cause to be delivered to Escrow Company the following:

(a) A deed in the form and content as set forth in **Exhibit "C"** attached hereto and by this reference incorporated herein (the "**Grant Deed**").

(b) An affidavit certifying that Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986 (the "**Certificate of Non-Foreign Status**").

(c) A properly executed California form 590 or other evidence sufficient to establish that Buyer is not required to withhold any portion of the Purchase Price pursuant to the California Revenue and Taxation Code.

(d) A properly completed and executed Documentary Transfer Tax Affidavit.

(e) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction contemplated by this Agreement.

7. BUYER'S CLOSING DELIVERIES.

At least two (2) business days prior to the Closing, Buyer shall deliver to Escrow Company:

(a) The balance of the Purchase Price, together with such other sums as Escrow Company shall require to pay Buyer's share of the closing costs, prorations and adjustments set forth herein, in immediately available funds.

(b) A fully completed and executed Preliminary Change of Ownership Report.

(c) Any other documents, instruments or agreements reasonably necessary to effectuate the transaction as contemplated by this Agreement.

8. CLOSE OF ESCROW.

(a) Closing Period. The purchase and sale described in this Agreement shall close ("**Closing**" or "**Close of Escrow**") within fifteen (15) business days after the Opening Date.

(b) Authorization to Close. Provided that Escrow Company has not received written notice in a timely manner from Buyer or Seller of the failure of any condition to the Closing or of termination of the escrow, Escrow Company is authorized to close the escrow at such time as (i) Escrow Company has received all items to be delivered by Seller and Buyer pursuant to Sections 6 and 7; and (ii) Title Company is prepared to issue the Title Policy at Closing.

(c) Closing Deliveries. Upon Closing, Escrow Company will deliver the following to Buyer and Seller:

(i) Deliver to Buyer: (A) the Grant Deed by causing it to be recorded in the Official Records of the Office of the County Recorder of Riverside County, California; and immediately upon recording, delivering to Buyer a conformed copy of the Grant Deed; (B) California form 590; (C) the Certificate of Non-Foreign Status; (D) any funds deposited by Buyer, and any interest earned thereon, in excess of the amount required to be paid to Seller hereunder; and (E) the Title Policy.

(ii) Deliver to Seller: (A) the Purchase Price, after satisfying any prorations and adjustments to be paid by Seller; and (B) a conformed copy of the recorded Grant Deed.

(d) Tax Reporting. Escrow Company is hereby designated the “real estate reporting person” and any instructions or settlement statement prepared by Escrow Company shall so provide. Upon the consummation of the transaction contemplated by this Agreement, Escrow Company shall file Form 1099 information return and send the statement to Seller.

9. PROPERTY “AS/IS”.

(a) Buyer represents and warrants that, as specified herein, Buyer has, or shall inspect and conduct tests and studies of the Property and that Buyer is or shall be familiar with the general conditions of the Property. Buyer understands and acknowledges that the Property may be subject to earthquake, fire, floods, erosion, high water table, dangerous underground soil conditions, hazardous materials and similar occurrences that may alter its condition or affect its suitability for any proposed use. Seller shall have no responsibility or liability with respect to any such occurrence. Buyer represents and warrants that Buyer is acting, and will act only upon information obtained by Buyer directly from Buyer’s own inspection of the Property. Notwithstanding anything to the contrary contained in this Agreement, the suitability or lack of suitability of the Property for any proposed or intended use, or availability or lack of availability of (i) permits or approvals of governmental or regulatory authorities, or (ii) rights with respect to any such proposed or intended use of Property shall not affect the rights or obligations of the Buyer hereunder.

(b) No person on behalf of Seller is authorized to make, and by execution hereof, Buyer acknowledges that no person has made any representation, agreement, statement, warranty, guarantee or promise regarding the Property or the transaction contemplated herein or the zoning, construction, physical condition or other status of the Property except as may be expressly set forth in this Agreement. No representation, warranty, agreement, statement, guarantee or promise, if any, made by any person acting in behalf of Seller which is not contained in this Agreement will be valid or binding on Seller.

(c) BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SPECIFICALLY PROVIDED HEREIN, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY

KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (i) VALUE; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, INCLUDING THE POSSIBILITIES FOR FUTURE DEVELOPMENT OF THE PROPERTY; (iv) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY; (v) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY; (vi) THE NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY; (vii) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAW, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (viii) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATION, ORDER OR REQUIREMENTS, INCLUDING BUT NOT LIMITED TO TITLE III OF THE AMERICANS WITH DISABILITIES ACT OF 1990, CALIFORNIA HEALTH & SAFETY CODE, THE FEDERAL WATER POLLUTION CONTROL ACT, THE FEDERAL RESOURCE CONSERVATION AND RECOVERY ACT, THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS AT 40. C.F.R., PART 261, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED, THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976, THE CLEAN WATER ACT, THE SAFE DRINKING WATER ACT, THE HAZARDOUS MATERIALS TRANSPORTATION ACT, THE TOXIC SUBSTANCE CONTROL ACT, AND REGULATIONS PROMULGATED UNDER ANY OF THE FOREGOING; (ix) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER, OR ADJACENT TO THE PROPERTY; (x) THE CONFORMITY OF THE PROPERTY TO PAST, CURRENT OR FUTURE APPLICABLE ZONING OR BUILDING REQUIREMENTS; (xi) DEFICIENCY OF ANY UNDERSHORE; (xii) DEFICIENCY OF ANY DRAINAGE; (xiii) THE FACT THAT ALL OR PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; (xiv) THE EXISTENCE OF VESTED LAND USE, ZONING OR BUILDING ENTITLEMENT AFFECTING THE PROPERTY; OR (xv) WITH RESPECT TO ANY OTHER MATTER. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" CONDITION AND BASIS WITH ALL FAULTS, AND THAT SELLER HAS NO OBLIGATION TO MAKE REPAIRS, REPLACEMENTS OR IMPROVEMENTS EXCEPT AS MAY OTHERWISE BE EXPRESSLY STATED HEREIN. BUYER REPRESENTS, WARRANTS AND COVENANTS TO SELLER THAT, EXCEPT FOR SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES SPECIFIED IN THIS AGREEMENT, BUYER IS PURCHASING THE PROPERTY BASED ON BUYER'S OWN INVESTIGATION OF THE PROPERTY.

Buyer shall rely solely upon Buyer's own knowledge of the Property based on its investigation of the Property and its own inspection of the Property in determining the Property's physical condition. Buyer and anyone claiming by, through or under Buyer hereby waives his/her/its right to recover from and fully irrevocably releases Seller, its employees, officers,

directors, representatives, agents, servants, attorneys, affiliates, parent, subsidiaries, successors, and assigns, and all persons, firms, corporations and organizations in its behalf ("**Released Parties**") from any and all claims that it may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to any construction defects, errors, omissions or other conditions, latent or otherwise, including environmental matters, affecting the Property, or any portion thereof. This release includes claims of which Buyer is presently unaware or which Buyer does not presently suspect to exist which, if known by Buyer, would materially affect Buyer's release to Seller. Buyer specifically waives the provision of California Civil Code Section 1542, which provides as follows:


"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."

In this connection and to the extent permitted by law, Buyer hereby agrees represents and warrants that Buyer realizes and acknowledges that factual matters now unknown to him/her/it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Buyer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Buyer nevertheless hereby intends to release, discharge and acquit Seller from any such unknown cause of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included as a material portion of the consideration given to Seller by Buyer in exchange for Seller's performance hereunder.

Buyer shall defend, indemnify and save the Released Parties from and against any and all loss, expense, claims, demands, costs including attorneys' fees and costs of any kind or character that the Released Parties may at any time incur by reason of any liability arising out of or in connection with the physical condition of the Property, including, without limitation, construction defects, errors, omissions or the conditions, latent or otherwise, including environmental matters affecting the Property, including repair, clean-up or detoxification or preparation and implementation of any removal, remedial response, closure or other plan concerning any petroleum products and/or any toxic, dangerous or hazardous chemicals, materials, substances, pollutants and wastes, in violation of applicable laws, rules or regulations, exposure to which is prohibited, limited or regulated by any requirement of any governmental authority, or if not so prohibited, limited or regulated, which may pose a hazard to the health and safety of the occupants of the Property or the occupants and/or owners of property near the Property.

Seller and Buyer have initialed this Section 9 to further indicate their awareness and acceptance of each and every provision.

SELLER'S INITIALS



BUYER'S INITIALS

10. DEFAULT.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IF THE SALE OF THE PROPERTY TO BUYER IS NOT CONSUMMATED FOR ANY REASON OTHER THEN SELLER'S DEFAULT UNDER THIS AGREEMENT, EXCEPT IN THE EVENT BUYER TERMINATES THIS AGREEMENT PURSUANT TO SECTION 3(b), SELLER SHALL BE ENTITLED TO RETAIN THE DEPOSIT AND INTEREST THEREON, AS SELLER'S LIQUIDATED DAMAGES. THE PARTIES AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO ASCERTAIN THE ACTUAL DAMAGES SUFFERED BY SELLER AS A RESULT OF BUYER'S FAILURE TO COMPLETE THE PURCHASE OF THE PROPERTY PURSUANT TO THIS AGREEMENT, AND THAT UNDER THE CIRCUMSTANCES EXISTING AS OF THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION REPRESENTS A REASONABLE ESTIMATE OF THE DAMAGES WHICH SELLER WILL INCUR AS A RESULT OF SUCH FAILURE, PROVIDED, HOWEVER, THAT THIS PROVISION SHALL NOT LIMIT SELLER'S RIGHTS TO RECEIVE REIMBURSEMENT FOR ATTORNEYS' FEES NOR WAIVE OR AFFECT SELLER'S RIGHTS AND BUYER'S INDEMNITY OBLIGATIONS OTHER SECTIONS OF THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THE PAYMENT OF SUCH LIQUIDATED DAMAGES IS NOT INTENDED AS FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676, AND 1677. NOTWITHSTANDING THE FOREGOING, IF BUYER INTERFERES WITH OR MAKES ANY ATTEMPT TO INTERFERE WITH SELLER RECEIVING OR RETAINING, AS THE CASE MAYBE, THE LIQUIDATED DAMAGES PROVIDED FOR IN THIS SECTION, INCLUDING WITHOUT LIMITATION, GIVING ANY NOTICE OR INSTRUCTIONS TO ESCROW COMPANY NOT TO DELIVER THE DEPOSIT TO SELLER, SELLER SHALL HAVE THE RIGHT TO ELECT TO RECOVER THE GREATER OF ITS ACTUAL DAMAGES OR THE LIQUIDATED DAMAGES BY GIVING WRITTEN NOTICE TO BUYER AND SELLER SHALL HAVE ALL OTHER RIGHTS AND REMEDIES AGAINST BUYER PROVIDED AT LAW AND IN EQUITY, AND SELLER SHALL HAVE THE RIGHT TO REQUIRE THAT BUYER SPECIFICALLY PERFORM BUYER'S OBLIGATIONS UNDER THIS AGREEMENT. THE PARTIES HAVE SET FORTH THEIR INITIALS BELOW TO INDICATE THEIR AGREEMENT WITH THE LIQUIDATED DAMAGES PROVISION CONTAINED IN THIS SECTION.

SELLER'S INITIALS



BUYER'S INITIALS

11. BROKER'S COMMISSION.

Buyer represents and warrants to Seller that there is no broker and no brokerage commission, finder's fee or other compensation due or payable with respect to the transaction contemplated hereby. Seller represents and warrants to Buyer that he/she/it has not entered into any agreement under which a brokerage commission, finder's fee or other compensation would be due or payable with respect to the transaction contemplated hereby. Each party hereby agrees to indemnify, defend, and hold the other harmless from and against any losses, damages, costs and expenses (including, but not limited to, attorneys' fees and costs) incurred by such party by reason of any breach or inaccuracy of the representations and warranties contained in this Section. The provisions of this Section shall survive the Closing.

12. MISCELLANEOUS.

(a) Authority. Each individual and entity executing this Agreement hereby represents and warrants that he/she/it has the capacity set forth on the signature pages hereof with full power and authority to bind the party on whose behalf he or it is executing this Agreement to the terms hereof.

(b) Entire Agreement. This Agreement is the entire Agreement between the parties hereto with respect to the subject matter hereof and 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 in 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.

(c) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signatures(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached hereto.

(d) Time of Essence. Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement.

(e) Notices. Any communication, notice or demand of any kind whatsoever which either party may be required or may desire to give to or serve upon the other shall be in writing and delivered by personal service (including express or courier service), by electronic communication, whether by telex, telegram, telecopying, or e-mail (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

Buyer: MONROE 52 BUILDERS, LLC
940 Emmett Avenue, Suite 200
Belmont, CA 94002
Attn: Debbie Perry
Telephone: (415) 227-2206
e-mail: debbie@villageprop.com

Seller: COACHELLA VALLEY WATER DISTRICT
75515 Hovley Lane East
Palm Desert, CA 92211
Telephone: (760) 398-2651
e-mail: cvwdmail@cvwd.org

Escrow Company: Stewart Title of California, Inc.
73020 El Paseo, Suite 103
Palm Desert, CA 92260
Attn: Tamara Castro
Telephone: (760) 771-4645
email: tcastro@stewart.com

Any party may change its address for notice by written notice given to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been duly given or served on the date personally served, if by personal service, one (1) day after the date of confirmed dispatch, if by electronic communication, or three (3) days after being placed in the U.S. mail, if mailed.

(f) Further Actions. The parties agree to execute such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement.

(g) Construction. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law; but, if any provision of this Agreement shall be invalid or prohibited thereunder, such invalidity or prohibition shall be construed as if such invalid or prohibited provision had not been inserted herein and shall not affect the remainder of such provision or the remaining provisions of this Agreement.

(h) Interpretation. The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the parties hereto. Section headings of this Agreement are solely for convenience of reference and shall not govern the interpretation of any of the provisions of this Agreement. References to "Sections" are to Sections of this Agreement, unless otherwise specifically provided.

(i) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

(j) Attorneys' Fees. If any action is brought by either party against the other party, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action. For purposes of this Agreement, the term "**attorneys' fees**" or "**attorneys' fees and costs**" shall mean the fees and expenses of counsel to the parties hereto, which may include printing, photostating, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and other persons not admitted to the bar but performing services under the supervision of an attorney.

(k) Relationship of Parties. Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Buyer with respect to the Property to be conveyed as contemplated hereby.

(l) No Recording. This Agreement, or a memorandum thereof, shall not be recorded or filed in the public land or other public records of any jurisdiction by either party and any attempt to do so may be treated by the other party as a breach of this Agreement.

(m) Assignment. Buyer shall neither assign its rights nor delegate its obligations hereunder without obtaining Seller's prior written consent, which may be withheld in Seller's sole discretion. Any other purported or attempted assignment or delegation without obtaining Seller's prior written consent shall be void and of no effect.

(n) Binding Effect. Subject to the restrictions on transfer set forth in subsection (m) hereof, this Agreement shall be binding upon and inure to the benefits of the heirs, successors and assigns of the parties hereto.

(o) Effective Date. This Agreement shall be effective as of the date upon which it is executed by the final party executing the same.

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[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Dated: _____

SELLER:

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

By: _____

Its: _____

Dated: 10/14/22

BUYER:

MONROE 52 BUILDERS, LLC,
a California limited liability company

By: Princeton West Associates, LLC,
a California limited liability company,
its manager

By: Debra L. Perry
Debra L. Perry
Authorized Representative

EXHIBIT LIST

EXHIBIT "A"	DESCRIPTION OF PROPERTY
EXHIBIT "B"	PRELIMINARY REPORT
EXHIBIT "C"	GRANT DEED

EXHIBIT "A"

DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Riverside, City of La Quinta and described as follows:

Lot "S" of Tract No. 31202-1, in the City of a Quinta, as shown by Map on file in [Book 359, Pages 54 through 61](#), inclusive of Maps, in the Office of the County Recorder of Riverside County, California.

APN: 779-370-005

(End of Legal Description)

EXHIBIT “B”

PRELIMINARY REPORT



Teo Cadenas
Title Officer

Stewart Title of California, Inc.
11870 Pierce Street, Ste 100
Riverside, CA 92505
Phone: (951) 276-2700
Fax: (951) 344-8298
teo.cadenas@stewart.com
cadenasteam@stewart.com

PRELIMINARY REPORT

Order No.: 1389042
Your File No.:
Buyer/Borrower Name:
Seller Name: Coachella Valley Water District
Property Address: Vacant Land, La Quinta, CA 92247

In response to the above referenced application for a Policy of Title Insurance, Stewart Title of California, Inc. hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Stewart Title Guaranty Company Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referenced to as an Exception on Schedule B or not excluded from coverage pursuant to the printed Schedules, Conditions, and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on covered Risks of said policy or policies are set forth in Exhibit A attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limits of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters, which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report, (and any supplements or amendments thereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance a binder or commitment should be requested.

Dated as of September 8, 2022 at 7:30AM	1st Updated Update No. 1
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When replying, please contact: John Pedalino
Desert Estates Development
78401 Hwy 111
La Quinta, CA 92253

PRELIMINARY REPORT

The form of Policy of Title Insurance contemplated by this report is:

- ☒ CLTA Standard Coverage Policy
- ☐ CLTA/ALTA Homeowners Policy
- ☐ 2006 ALTA Owner's Policy
- ☐ 2006 ALTA Loan Policy
- ☐ ALTA Short Form Residential Loan Policy
- ☐

SCHEDULE A

The estate or interest in the land hereinafter described or referred to covered by this report is:

FEE

Title to said estate or interest at the date hereof is vested in:

[Coachella Valley Water District](#)

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Riverside, City of La Quinta and described as follows:

Lot "S" of Tract No. 31202-1, in the City of a Quinta, as shown by Map on file in [Book 359, Pages 54 through 61](#), inclusive of Maps, in the Office of the County Recorder of Riverside County, California.

APN: OLD APN 767-200-039 & 767-900-005, New APN 779-370-005

(End of Legal Description)

MAP

THE MAP(S) CONNECTED HERewith IS BEING PROVIDED AS A COURTESY AND FOR INFORMATIONAL PURPOSES ONLY; THIS MAP SHOULD NOT BE RELIED UPON. FURTHERMORE, THE PARCEL(S) SET OUT ON THE MAP(S) MAY NOT COMPLY WITH LOCAL SUBDIVISION OR BUILDING ORDINANCES. STEWART TITLE OF CALIFORNIA, INC. AND STEWART TITLE GUARANTY COMPANY ASSUME NO LIABILITY, RESPONSIBILITY OR INDEMNIFICATION RELATED TO THE MAP(S).

SCHEDULE B

At the date hereof, exceptions to coverage in addition to the printed exceptions and exclusions contained in said policy or policies would be as follows:

Taxes:

- A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes, to be levied for the fiscal year 2022- 2023.
- B. General and special city and/or county taxes, bonds or assessments which may become due on the property, if, and when, title is no longer vested in a government or quasi-governmental agency. Parcel No: 767-370-005.
- C. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the Revenue and Taxation Code of the State of California.
- D. Taxes and/or assessments affecting the Land, if any, for community facility districts, including Mello Roos, which may exist by virtue of assessment maps or filed notices. These taxes and/or assessments are typically collected with the county taxes; however, sometimes they're removed and assessed and collected separately.

Exceptions:

- 1. Water rights, claims or title to water in or under the Land, whether or not shown by the public records.
- 2. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, geothermal resources, brine, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. Stewart Title Guaranty Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.
- 3. Any interests (including rights of the public) in and to any portion of the Land lying within roads, streets, alleys or highways.
- 4. Reservations and other matters contained in the patent recorded February 21, 1917 in [Book 7, Page 226](#), of Patents.

Subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of the courts; and the reservation from the land hereby granted of a right of way thereon for ditches or canals constructed by the Authority of the United States.

- 5. Matters as shown on the Tract Map No. 31202-1 filed in [Book 359, Pages 54 through 61](#), of Maps, together with any provisions and recitals contained therein. Reference is hereby made to the record for full and further particulars.
- 6. Matters as shown on the Tract Map No. 31202-1 filed in [Book 359, Pages 54 through 61](#), of Maps which cites, among other things, the following:
 - (1) Dedicated the fee title to the Coachella Valley Water District Lot "S", for sewer lift station

purposes.

Reference is hereby made to the record for full and further particulars.

Certificate of Acceptance on behalf of the Coachella Valley Water District the lift station in fee for domestic water and sanitation purposes as offered hereon.

7. intentionally deleted
8. Matters contained in document entitled Sanitation Agreement by the Coachella Valley Water District recorded August 5, 2005 as Instrument No. [2005-0634467](#), of Official Records.

(Affects other land in addition to the Land.)
9. Any easement for pipelines and utilities located on said land regarding sewer lift station as set forth thereon.
10. Lack of access and/or lack of right of access.
11. If an inspection of the property is required and discloses any evidence of existing or recently completed work of improvement, either on-site or off-site, an exception for mechanic's liens will be included in the policy, unless all underwriting requirements for removal have been met and, prior to recording and closing, approval is issued by Stewart Title Guaranty Company.
12. In order to insure a conveyance, acquisition or encumbrance by the corporation or unincorporated association named below you must provide the following:
Entity: Coachella Valley Water District
(a) A copy of the corporation By-Laws or Articles.
(b) An original or certified copy of the Resolution authorizing the subject transaction.
(c) If the By-Laws or Articles require approval by a "parent" organization, a copy of that entities' By-Laws or Articles.
(d) If an unincorporated association, a statement pursuant to applicable law (such as California Corporation Code Section 20002).
Additional requirements or items may be requested upon review of the required documents set forth above,

(End of Exceptions)

NOTES AND REQUIREMENTS

- A. There are no transfers or conveyances shown in the public records within 24 months of the date of this Preliminary Report. If you have knowledge of any transfers or conveyances, please contact your title officer immediately for further requirements.
- B. If an Owner's Policy of title insurance is requested, a CLTA Standard Coverage Owner's Policy will be issued unless instructed otherwise. If a different form of policy is desired, please contact your Title Officer.
- C. All Transactions - Seller(s) and Buyer(s) or Borrowers are provided, as attachments, the document entitled "Acknowledgement of Receipt, Understanding and Approval of STG Privacy Notice for Stewart Title Companies and Stewart's Affiliated Business Arrangement Disclosure Statement" and the individually named documents, for review and acknowledgment prior to closing.
- D. All Transactions - Buyer(s)/Seller(s)/Borrower(s) are provided the Preliminary Report for review and acknowledgment prior to closing. Buyer(s) approval shall include the Preliminary Report items that are to remain as exceptions to the title policy.
- E. Purchase Transactions Only - Seller(s)/Owner(s) are provided Stewart Title Guaranty Company's Owner's Affidavit and Indemnity for completion and submission prior to closing.

CALIFORNIA "GOOD FUNDS" LAW

California Insurance Code Section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds received by Stewart Title of California, Inc. via wire transfer may be disbursed upon receipt. Funds received via cashier's checks or teller checks drawn on a California Bank may be disbursed on the next business day after the day of deposit. If funds are received by any other means, recording and/or disbursement may be delayed, and you should contact your title or escrow officer. All escrow and sub-escrow funds received will be deposited with other escrow funds in one or more non-interest bearing escrow accounts in a financial institution selected by Stewart Title of California, Inc.. Stewart Title of California, Inc. may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with the financial institution, and Stewart Title of California, Inc. shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by Stewart Title of California, Inc.. Such benefits shall be deemed additional compensation to Stewart Title of California, Inc. for its services in connection with the escrow or sub-escrow.

If any check submitted is dishonored upon presentation for payment, you are authorized to notify all principals and/or their respective agents of such nonpayment.

EXHIBIT "A"
LEGAL DESCRIPTION

Order No.: 1389042
Escrow No.: 1389042

The land referred to herein is situated in the State of California, County of Riverside, City of La Quinta and described as follows:

Lot "S" of Tract No. 31202-1, in the City of a Quinta, as shown by Map on file in [Book 359, Pages 54 through 61](#), inclusive of Maps, in the Office of the County Recorder of Riverside County, California.

APN: OLD APN 767-200-039 & 767-900-005, New APN 779-370-005

(End of Legal Description)

EXHIBIT “C”

GRANT DEED

No Recording Fees
Required Per
Government Code
Section 27383

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Monroe 52 Builders, LLC
940 Emmett Avenue, Suite 200
Belmont, CA 94002

With copy to:
Coachella Valley Water District
P.O. Box 1058
Coachella, CA 92236

APN: 779-370-005	(Space above this line is for Recorders use)	FILE: 0653.1
TRA: 02-184		0721.1
DTT: \$16.50		TR 31202
		0655.

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **COACHELLA VALLEY WATER DISTRICT, a public agency of the State of California** (“Grantor”), hereby grants to **MONROE 52 BUILDERS, LLC, a California limited liability company** (“Grantee”) that certain real property in the County of Riverside, State of California, described as Lot “S” of Tract Map No. 31202-1 as filed in Book 359 of Maps at Pages 54 through 61, Inclusive of Maps, Records of Riverside County, California.

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

Date _____

By _____
J. M. Barrett, General Manager

Doc. No. 060710-1-028

ACKNOWLEDGMENT

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.

[illegible]

On _____, before me, _____,
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: _____ (Seal)