

Project: Option to Purchase 14440 Terra Vista Drive – Pavelka Property
A.P.N.: 081-150-033
File No.: 003795
Agent: AK

**PURCHASE AGREEMENT
AND ESCROW INSTRUCTIONS**

This **PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS** (“Agreement”) is made and entered into by and between the COUNTY OF SANTA BARBARA, a political subdivision of the State of California (“Buyer”), and MARCO PAVELKA AND MONICA PAVELKA, husband and wife as joint tenants (“Seller”); with reference to the following:

WHEREAS, Seller is the fee simple owner of the 20-acre parcel of land in the unincorporated area of the County of Santa Barbara, State of California, commonly identified as Santa Barbara County Assessor Parcel Number 081-150-033, located on the Gaviota coast at 14440 Terra Vista Drive (“Property”), and described on Exhibit “A”, attached hereto and incorporated herein by reference; and

WHEREAS, Buyer owns and operates the Tajiguas Landfill, a Class 3 Municipal Solid Waste Landfill, on the parcel of land located north of the Property; and

WHEREAS, on March 23, 2003, Seller’s predecessors in interest entered into a Lease Agreement with the Buyer, for the Buyer’s right to enter the Property for purposes of driveway maintenance, litter removal, weed abatement, and water testing; and

WHEREAS, the Lease Agreement includes a provision, described in the agreement as an “Option to Purchase”, which is a right of first refusal to allow Buyer to match any offer received by the property owners; and

WHEREAS, on June 29, 2012, Sellers acquired the property pursuant to the Grant Deed recorded as instrument number 2012-0042564, and therefore became successors in interest to the Lease Agreement; and

WHEREAS, the Sellers have received an offer to purchase the property for \$975,000, subject to certain contingencies, thereby invoking Buyers right to match that offer and purchase the Property; and

WHEREAS, on December 3, 2015, the Director of the County of Santa Barbara Public Works Department received notice from Sellers of that offer, where upon such notice was responded to on December 10, 2015, stating the Buyers interest in matching that offer, contingent upon approval by the County Board of Supervisors.

NOW THEREFORE, in consideration of the covenants and conditions contained herein, the parties agree that Seller shall remise, release, and convey to Buyer and Buyer shall accept all right, title, and interest in and to the Property, subject to the following terms and conditions:

1. **SALE AND PURCHASE PRICE.** Subject to the terms and conditions contained in this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, fee ownership of the Property, subject to the following:

a. The total purchase price for the Property shall be NINE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$975,000.00).

b. Upon final execution by Buyer, Buyer shall return a duplicate original of this Agreement to Seller, and shall open escrow pursuant to Section 2 hereof, and shall deliver to the Escrow Holder a copy of this Agreement.

c. Escrow shall be open for a period of THIRTY (30) days to allow Buyer to complete its investigation of the Property, and to satisfy all conditions described herein (the "Due Diligence Period").

d. During the Due Diligence Period, Buyer may, in its sole and absolute discretion, elect to terminate this Agreement based upon any of the following:

i. Its review and investigation of the condition of the Property, which may include but shall not be limited to a Phase One Environmental Site Assessment, a CEQA analysis, or any other studies related to the condition of the Property or title to the Property;

ii. A hearing before the County Planning Commission pursuant to a California Government Code Section 65402 consistency finding; or

iii. Buyer's inability to complete any of the studies or actions set forth above.

e. If Buyer fails to deliver notice of its election to terminate on or before 5:00 p.m. on the last day of the Due Diligence Period, then Buyer shall be deemed to have waived this condition. If the last day of the Due Diligence Period falls on a weekend or holiday, the Due Diligence Period shall be extended until 5:00 p.m. of the following business day.

f. Within ten days of the opening of escrow, Seller will deliver to the Escrow Holder the Grant Deed which has been duly executed and acknowledged by Seller, in substantially the same form shown on Exhibit "B", attached hereto and incorporated herein by reference.

g. At least one (1) day prior to the close of escrow, Buyer shall deposit with the Escrow Holder a Certificate of Acceptance for the Property which has been executed by Buyer, in substantially the same form shown on Exhibit "C", attached hereto and incorporated herein by reference, and the purchase price plus costs of pro-rations, fees, and expenses pursuant to this Agreement.

h. Completion of the California Environmental Quality Act (CEQA) environmental review process for this transaction, and final approval of consummation of the purchase and appropriation of funding by the County Board of Supervisors are express conditions precedent to Buyer's duty to purchase. Notwithstanding any other provision in this Agreement, Buyer, at

Buyer's option, may extend escrow up to thirty (30) days to permit the funding approval and appropriation by County Board of Supervisors. In the event Buyer opts to extend the escrow period pursuant to this section, Buyer shall provide written notice to Seller no later than 5:00 p.m. of the last day of the Due Diligence Period.

2. **ESCROW AND OTHER FEES:** Within ten (10) days following the execution of this Agreement by Buyer, Buyer shall open escrow at Chicago Title Company, 1225-E Coast Village Road, Santa Barbara, California, or at such other escrow company as may be agreed to by Seller and Buyer ("Escrow Holder"); with escrow instructions to be based upon the terms and conditions set forth herein, and Buyer shall deliver a copy of this Agreement to the Escrow Holder. On behalf of Buyer, the Director of the County of Santa Barbara Department of General Services, or designee, shall execute the necessary escrow instructions and/or additional documents which may be required to complete the closing of this real property transaction. This Agreement shall become part of the escrow and shall constitute the basic instructions and documents as are reasonably required to complete the closing of the transaction contemplated herein, in accordance with the terms and conditions of this Agreement. In case of conflict between this Agreement and any related escrow documents, the terms of this Agreement shall control.

a. The Closing shall be on or before the date thirty (30) days following execution of the Agreement by the County Board of Supervisors, (the "Closing Date"), or such other date as the parties hereto shall mutually agree in writing. The "Closing" is defined as the satisfaction of all conditions herein stated, except those conditions that may be waived by an express written waiver duly executed by the waiving party; and the recordation of a Grant Deed which shall vest title to the Property in Buyer, and the deposit of the Purchase Price by Buyer into escrow.

b. Escrow, title and other fees shall be paid as follows:

i. Buyer shall pay all County Documentary Transfer Tax ("Transfer Tax").

ii. A Standard California Land Title Association owner's policy of title insurance covering the Property shall be paid for by Seller.

iii. Buyer shall pay for any additional title insurance coverage that may be required by Buyer.

iv. Seller and Buyer shall each pay their own Escrow Holder's fees at the close of escrow.

c. Escrow Holder shall be obligated as follows:

i. To provide current preliminary title reports covering the Property, at Buyer's expense.

ii. To record prior to Closing, the Grant Deed and the Certificate of Acceptance to be recorded concurrently, vesting title to the Property in Buyer.

iii. To issue or have issued to Buyer the California Land Title Association policy of title insurance required herein.

iv. Provide Buyer a final closing statement with certification by the title company.

3. **COMMISSION:** It is understood that Buyer represents itself in this transaction and that any commission paid to any agent or broker representing Seller in this transaction shall be paid by Seller.

4. **GOOD FAITH DISCLOSURE BY SELLER:** Seller shall make a good faith disclosure to Buyer of any and all facts, findings, or information on the Property, including without limitation those relating to: historical uses; prior permitted uses; current uses including, but not limited to, express or implied contracts, leases and/or permits; geological conditions; biological conditions; archaeological sites; flood hazard area(s); special studies zones; zoning reports; environmentally hazardous material such as dioxins, oils, solvents, waste disposal, gasoline tank leakage, pesticide use and spills, herbicide use or spills or any other substances and/or products of environmental contamination. Any and all facts or information known by Seller concerning the condition of the Property shall be delivered to Buyer no later than ten (10) days following Buyer's execution of this Agreement.

If such facts or information provided by Seller disclose conditions that adversely affect the continued or contemplated use of the Property, and that Buyer reasonably deems unacceptable, or if Buyer otherwise discovers such facts or information through tests and/or surveys which disclose such conditions, and Seller is unwilling or unable to correct such conditions to the reasonable satisfaction of Buyer or any governmental body having jurisdiction, then Buyer may, at its sole option, terminate this Agreement. Within ten (10) business days of actual receipt of said disclosure information, Buyer shall notify Seller of the conditions it deems unacceptable and the corrections desired and request Seller, at Seller's expense, to correct the condition(s) affected thereby to the reasonable satisfaction of Buyer and/or any governmental body having jurisdiction. Failure to so correct shall be grounds for termination of this Agreement.

5. **INSPECTION BY BUYER:** Buyer upon not less than 24-hour notice to the Seller shall have the right of entry onto the Property to conduct such non-invasive and non-intrusive inspections and testing thereon as are, in Buyer's sole discretion, necessary to reasonably determine the condition of the Property. The scope of any such testing or inspection which requires physical sampling of all or any part of the Property shall be subject to:

- a. The prior written approval of Seller, which Seller may withhold or condition in its sole and absolute discretion.
- b. Seller's receipt of a certificate of insurance evidencing any insurance coverage reasonably required by Seller pursuant to this Section.
- c. The requirement that Buyer conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to Seller. Buyer shall complete such inspections and testing within the Due Diligence Period and shall restore all areas of the Property to its pre-test and pre-inspection condition as near as is practicable.

If any toxins or contaminants are discovered, Buyer shall notify Seller immediately, and Seller shall have the right, but not the responsibility to take any actions in response to such notifications that it deems necessary in its sole and absolute discretion. If Seller elects not to take actions in response to such notifications, then, notwithstanding other provisions contained herein, Seller and/or Buyer shall have the right (prior to the expiration of the Due Diligence Period) to terminate this Agreement with no further liability.

Buyer shall give Seller written notice prior to the commencement of any testing or inspections in, on or about the Property, and Seller shall have the right to post Notices of Testing, and/or Notices of Non-responsibility as provided by law. All testing on the Property shall keep the Property free and clear of claims, charges and/or liens for labor and materials, and Buyer shall defend, indemnify and save harmless Seller, its agents and employees from and against any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of, related to, or in connection with any such testing, inspection or entry by Buyer, its partners, officers, directors, members, shareholders, independent contractors, agents or employees.

6. **TITLE AND DEED:** Title to the Property is to be free of liens, encumbrances, restrictions, conditions, rights to possession or claims thereto (recorded and/or unrecorded) known to Seller, except:

- a. All covenants, conditions, restrictions, and reservations of record approved by Buyer.
- b. All easements or rights-of-way over the Property for public or quasi-public utility or public street purposes, if any, approved by Buyer.
- c. All exceptions contained in the preliminary title report as may be approved by Buyer.

Buyer shall have the right to review the preliminary title report and disapprove in writing any items disclosed in said report prior to the close of escrow. Seller shall have thirty (30) days from receipt of Buyer's notice of disapproval to correct the condition(s) that adversely affect the Property. Failure to correct shall be grounds for termination of this Agreement by Buyer.

Seller shall request escrow to be extended for thirty (30) days where there is a need for Seller to correct an adverse condition unless Seller refuses to correct such condition or unless correction requires more than thirty (30) days in which case escrow shall be extended to the date of refusal or date of correction respectively.

7. **TIME OF ESSENCE:** Time is of the essence in the performance by the parties in respect to this Agreement.

8. **NOTICES:** All notices, documents, correspondence, and communications concerning this transaction shall be addressed as set forth below or as either party may hereafter designate by written notice and shall be sent through the United States mail duly registered or certified with postage prepaid. Notwithstanding the above, Buyer may also provide notices, documents, correspondence or such other communications to Seller by personal delivery or by first class mail postage prepaid and any such notices, documents, correspondence and communications so given shall be deemed to have been given upon actual receipt.

IF TO SELLER: Marco and Monica Pavelka
5662 Calle Real #216
Goleta, CA 93117
(818) 220-4709
monikapavelka@aol.com

COPY TO SELLER's REP KELLER WILLIAMS REALTY
Attn: Patrice Rossi
1435 Anacapa Street
Santa Barbara, CA 93101
(805) 722-2899
Patrice@YourSantaBarbaraAgent.com

IF TO BUYER: County of Santa Barbara
General Services Dept./Real Property Div.
Attn: Real Property Manager
1105 Santa Barbara Street, 2nd floor
Santa Barbara, CA 93101
(805) 568-3065
Facsimile: (805) 568-3249
realproperty@countyofsb.org

ESCROW HOLDER: Chicago Title Company
Attn: Anna Ortiz Wines
1225-E Coast Village Road
Santa Barbara, CA 93105
(805) 565-6900
Facsimile: (805) 565-6905
winesA@ctt.com

9. **SUCCESSORS:** This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties to this Agreement.

10. **ASSIGNMENT PROHIBITION:** Buyer shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of Seller, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 10 shall be null and void.

11. **WAIVERS:** No waiver of any breach of any covenant or provision in this Agreement shall be deemed a waiver of any other covenant or provision, and no waiver shall be valid unless in writing and executed by the waiving party.

12. **CONSTRUCTION:** Section headings are solely for the convenience of the parties and are not a part and shall not be used to interpret this Agreement. The singular form shall include the plural and vice-versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references

to sections are to this Agreement.

13. **FURTHER ASSURANCES:** Whenever requested by the other party, each party shall execute, acknowledge and deliver all further conveyances, agreements, confirmations, satisfactions, releases, powers of attorney, instruments of further assurances, approvals, consents and all further instruments and documents as may be necessary, expedient or proper to complete any conveyances, transfers, sales, and agreements covered by this Agreement, and to do all other acts and to execute, acknowledge, and deliver all requested documents to carry out the intent and purpose of this Agreement.

14. **THIRD PARTY RIGHTS:** Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

15. **INTEGRATION:** This Agreement contains the entire agreement between the parties, and expressly supersedes all previous or contemporaneous agreements, understandings, representations, or statements between the parties respecting the purchase of the Property.

16. **COUNTERPARTS:** This Agreement may be executed in one or more counterparts, each of which taken together shall constitute one and the same instrument.

17. **AMENDMENT:** This Agreement may not be amended or altered except by a written instrument executed by Buyer and Seller.

18. **PARTIAL INVALIDITY:** Any provision of this Agreement that is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforceability of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

19. **EXHIBITS:** All attached exhibits are incorporated in this Agreement by reference.

20. **AUTHORITY OF PARTIES:** All persons executing this Agreement on behalf of any party to this Agreement warrant that they have the authority to execute this Agreement on behalf of that party.

21. **GOVERNING LAW:** The validity, meaning, and effect of this Agreement shall be determined in accordance with California laws.

22. **FACSIMILE/ELECTRONICALLY TRANSMITTED SIGNATURES:** In the event that the parties hereto utilize facsimile transmitted documents or electronically transmitted documents which include signatures, such documents shall be accepted as if they bore original signatures provided that documents bearing original signatures are provided within seventy-two (72) hours of transmission; however, funds shall not be released nor shall documents be accepted for recordation by the Santa Barbara County Recorder's Office until such documents bearing original signatures are received by Seller.

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Project: Option to Purchase 14440 Terra Vista Drive – Pavelka Property
A.P.N.: 081-150-033
File No.: 003795
Agent: AK

IN WITNESS WHEREOF, Buyer and Seller have executed this Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by Buyer.

“BUYER”
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: _____
Peter Adam, Chair
Board of Supervisors

By: _____
Deputy

Date: _____

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By:  _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By:  _____
Deputy Auditor-Controller

(Seller signatures continue on next page)

Project: Option to Purchase 14440 Terra Vista
Drive – Pavelka Property
A.P.N.: 081-150-033
File No.: 003795
Agent: AK

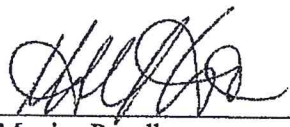
IN WITNESS WHEREOF, Buyer and Seller have executed this Purchase Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by Buyer.

“SELLER”
MARCO AND MONICA PAVELKA

By: 

Marco Pavelka

Date: 1/25/2016

By: 

Monica Pavelka

Date: 01/25/2016

CONSENT OF ESCROW HOLDER


The undersigned Escrow Holder hereby agrees to:

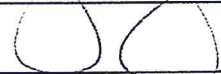
- A. Accept the foregoing Purchase Agreement;
- B. Act as the Escrow Holder under the Purchase Agreement for the fees herein described;
- C. Be bound by the Purchase Agreement in the performance of its duties as Escrow Holder.

However, the undersigned will have no obligation, liability or responsibility under this consent or otherwise, unless and until the Purchase Agreement, fully signed by the parties has been delivered to the undersigned. Further, the undersigned will have no obligation, liability or responsibility under any amendment to the Purchase Agreement unless and until the amendment is accepted by the undersigned in writing.

CHICAGO TITLE COMPANY

By:





Anna Ortiz Wines

Date:

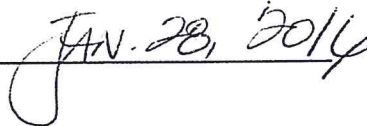


EXHIBIT "A"
LEGAL DESCRIPTION
"The Property"

For APN/Parcel ID(s): 081-150-033

Parcel One:

Parcel "One" of "Record of Survey of a Portion of the Pedro Baron Ranch", in the County of Santa Barbara, State of California, as per map thereof recorded in Book 114, Page 69 of Record of Surveys, in the Office of the County Recorder of said County.

EXCEPTING from said Parcel One, an undivided one-half of all oil, gas and minerals and of all oil, gas and mineral rights upon and under said land, and the right to enter thereto and use in a proper manner so much of the surface as may be reasonable for the purpose of extracting oil, gas and minerals thereon and thereunder as reserved to the Security First National Bank of Los Angeles, by deed recorded January 20, 1942 as Instrument No. 602 in Book 541, Page 137 of Official Records.

ALSO EXCEPTING from said Parcel One a Life Estate in and to an undivided one-fourth of all oil, gas and minerals and of all oil, gas and mineral rights upon and under the property herein described. Said one-fourth interest hereinabove reserved not intended herein to include any surface or quarry material, nor any rock nor vaqueros sandstone, as reserved unto seller by that certain Deed from Earl M. Malott and Leonor C. Malott, husband and wife, recorded May 31, 1962 as Instrument No. 22324 in Book 1931, Page 225 of Official Records.

Parcel Two:

A non-exclusive easement for ingress, egress, and underground public utilities over that portion of the Rancho Nuestra Senora Del Refugio, as shown on a map filed in Book 13, Page 98 of Maps, Records of Santa Barbara County, California, described as follows:

Beginning on a point in the Northerly line of the tract of land conveyed, in the Deed to the State of California (U.S. Highway 101), recorded December 8, 1948, as Instrument No. 17057, in Book 826, Page 480 of Official Records, at the Southwesterly corner of the Service Station Lease to the Shell Oil Company, recorded March 20, 1962 as Instrument No. 10940, in Book 1911, Page 648 of Official Records;

thence 1st, along the Westerly line of said "Shell Lease" and its Northerly projection, North 217.50 feet to a point;

thence 2nd, at right angles, East 402.50 feet to a point;

thence 3rd, at right angles, North 60.00 feet to a point;

thence 4th, at right angles, West 462.50 feet to a point;

thence 5th, at right angles, South 270 feet, more or less, to the Northerly line of said U.S. Highway 101;

thence 6th, along said Northerly line of a curve with a radius of 9825.00 feet, 61 feet, more or less, to the true point of beginning.

EXHIBIT "B"
GRANT DEED

Recorded at request of
and when recorded mail to:

County of Santa Barbara
General Services Department
Office of Real Estate Services
Will Call

**COUNTY OF SANTA BARBARA
OFFICIAL BUSINESS**

No fee pursuant to California
California Government Code §6103 and §27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE
A.P.N. 081-150-033

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged, MARCO PAVELKA AND MONICA PAVELKA, husband and wife as joint tenants, as "Grantor" herein, hereby grants to COUNTY OF SANTA BARBARA, a political subdivision of the State of California, as "Grantee" herein, fee title to all of that certain real property located in the unincorporated area of the County of Santa Barbara, State of California, more particularly described in Attachment "I" hereto, incorporated herein by this reference (the "Property").

IN WITNESS WHEREOF, MARCO PAVELKA AND MONICA PAVELKA has executed this Grant Deed on the ____ day of _____, 2016.

GRANTOR
MARCO PAVELKA AND MONICA PAVELKA

Marco Pavelka

Monica Pavelka

ACKNOWLEDGEMENT

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

State of California

County of Santa Barbara

On _____ before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

(Seal)

EXHIBIT "C"

CERTIFICATE OF ACCEPTANCE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA: SS.

THIS IS TO CERTIFY that the interest in real property conveyed by the GRANT DEED dated _____, _____, from MARCO PAVELKA AND MONICA PAVELKA, husband and wife as joint tenants, as Grantor, to COUNTY OF SANTA BARBARA, a political subdivision of the State of California, as Grantee, is hereby accepted by the Board of Supervisors on _____, 2016 and the County of Santa Barbara consents to recordation thereof by its duly authorized officer.

WITNESS my hand and official seal

this _____ day of _____, 2016

CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA

By: _____
Deputy

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy Counsel