

REAL PROPERTY PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

THIS REAL PROPERTY PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (this “Agreement”) is by and among the COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as the “COUNTY”; La Cumbre Mutual Water Company, a corporation, hereinafter referred to as “OWNER”; and The Land Trust of Santa Barbara County, a California nonprofit public benefit corporation, hereinafter referred to as “LAND TRUST” with reference to the following:

RECITALS

WHEREAS, OWNER is the owner of that certain real property in the County of Santa Barbara, State of California, located along Modoc Road, Santa Barbara, California and more particularly described as Assessor’s Parcel Numbers 061-220-009, 061-220-010, 061-261-001, hereinafter referred to as the “Project Property” as described in Exhibit 1, attached hereto and incorporated herein by reference; and

WHEREAS, The LAND TRUST is the holder of a Conservation Easement encumbering the Project Property as described in the Deed of Conservation Easement, attached as Exhibit 2, and is the entity responsible for monitoring and enforcing the terms of the Conservation Easement to protect the conservation values, including the right to determine if proposed activities on the Project Property are consistent with the Conservation Easement; and

WHEREAS, COUNTY has plans to construct a public multi-use path across portions of the Project Property. COUNTY intends to construct said path consistently with the Conservation Easement restrictions. Said public path is referred to as the Modoc Multi-Use Path, hereinafter referred to as the “Project”; and

WHEREAS, COUNTY desires to purchase from OWNER a permanent easement for the construction of the Project and an adjacent temporary construction easement across those portions of the Project Property that are described in the Easement Agreement, a copy of which is attached hereto as Exhibit 3, (the “Project Easement Agreement”) and which includes legal descriptions of the multi-use path easement and the associated temporary construction easement areas, which collectively are hereinafter referred to as the “Project Easements”; and

WHEREAS, plans for the Project are attached hereto as Exhibit 4 (the “Project Plans”), and COUNTY and OWNER jointly seek to confirm and document the LAND TRUST’s determination that the planned Project and the Project Easements are consistent with the Conservation Easement and the LAND TRUST’s design guidelines, the latter of which are attached hereto as Exhibit 5, with such initial determination being effectuated through approval of this Agreement by the LAND TRUST as a party to this Agreement, and with any subsequent approval, if needed, as provided in this Agreement; and

WHEREAS, in conjunction with this Agreement, OWNER desires to finalize a long-term lease for its existing Well #18, which is located on COUNTY property, consisting of 8,425 square

feet for the site of Well #18 (APN 061-040-023, referred to herein as "Well #18 Property"), and additional permits from the COUNTY across portions of COUNTY property for waterlines and utility services associated with and as needed for the operation of Well #18; and

WHEREAS, COUNTY, OWNER, and LAND TRUST, collectively hereinafter referred to as the "Parties" to this Agreement, agree to enter into this Agreement regarding the Project and the granting of Project Easements to COUNTY, and the completion of the Well #18 Lease and associated permits to OWNER, and mutually agree to said Project and Project Easements per the terms and provisions defined in this Agreement.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, the Parties hereto agree as follows:

1. SALE AND PURCHASE PRICE: Subject to the terms and conditions contained in this Agreement, COUNTY agrees to purchase from OWNER, and OWNER agrees to convey to COUNTY, the Project Easements described in the Project Easement Agreement executed by OWNER concurrently with this Agreement.

A. The Parties agree that OWNER shall remise, release, and convey to COUNTY and COUNTY shall accept all right, title, and interest in and to the Project Easements conveyed in the Project Easement Agreement.

B. The total consideration to OWNER for the granting of the Project Easements and the recordation of the Project Easement Agreement shall be the County's performance of its obligations contained in this Agreement, including but not limited to the issuance of a Lease to OWNER for its Well #18, the value of which in their totality the Parties agree corresponds to the value of the Project Easements to be conveyed to the COUNTY.

C. Upon final execution by COUNTY, COUNTY shall return a copy of this Agreement to OWNER and to the LAND TRUST.

D. Once the Agreement has been fully executed by the Parties, including acceptance by the County Board of Supervisors, COUNTY shall be responsible for delivering the Project Easement Agreement to First American Title Company for recordation in the official records of the County.

E. **Conditions Precedent:** In addition to the other terms and conditions contained in this Agreement, COUNTY's obligation to purchase the Project Easements identified in the Project Easement Agreement shall be expressly subject to and conditioned upon the fulfillment of each of the following conditions precedent. These conditions are for the sole benefit of COUNTY and may be waived or deemed satisfied by COUNTY in COUNTY's sole and absolute discretion.

- i. COUNTY securing all necessary funding to finance the Project. Funding commitments and approval must be obtained before the contemplated purchase can be completed.

- ii. Completion of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) environmental review processes, if and as applicable for this transaction as determined by COUNTY in its sole and absolute discretion. The COUNTY adopted a Mitigated Negative Declaration for the Project on November 1, 2022. The COUNTY retains the discretion to conduct additional environmental review under CEQA upon a determination that such review is required under State CEQA Guidelines Section 15162. No legal obligations will exist unless and until the CEQA environmental review process is completed and this contingency is removed by COUNTY.
- iii. Compliance by COUNTY with the requirements of California Government Code 65402(c).

In the event any of the foregoing conditions are not fulfilled or waived before the Closing Date as defined below, COUNTY, at its election by written notice to OWNER, may terminate this Agreement and be released from all obligations under this Agreement. Alternatively, COUNTY may agree with OWNER to extend the date of closing to allow sufficient time to satisfy these conditions.

2. AGREEMENT TERMS:

A. In exchange for OWNER'S conveyance of the Project Easements to COUNTY, COUNTY agrees to the following conditions:

- i. If substantial changes to the Project Plans are proposed requiring additional environmental review under CEQA as contemplated in Paragraph 1.E.ii above or otherwise, COUNTY will obtain both OWNER's and LAND TRUST's approval of such changes before proceeding with any such changes to the Project or the Project Plans.
- ii. COUNTY will coordinate with OWNER and provide a minimum of sixty (60) days advance notice to OWNER and LAND TRUST of Project construction commencement, so that OWNER can plan and install the following three facilities identified below prior to commencement of construction of the Project before the termination of the 60-day advance notice period. The three facilities are as follows:
 - a. Modoc Road and Obern Trail, including 20' of C900 PVC 6" and 8" pipelines, valves, fittings and labor.
 - b. Modoc Road and Encore Drive, including 20' of C900 PVC 6" pipeline, valves, fittings and labor.
 - c. Modoc Road and Via Zorro, including 20' of C900 PVC 10" and 12" pipelines, valves, fittings and labor.
- iii. COUNTY agrees to finalize and issue a Lease to OWNER for its Well #18, in the form attached hereto as Exhibit 6. COUNTY agrees to deliver said lease to OWNER for execution and to execute such lease prior to the Closing Date, as defined below.

- iv. COUNTY will issue an encroachment permit to OWNER for a pipeline connecting Well #18 (via Hollister Ave and Arboleda Rd) to the existing raw-water supply pipeline on Nueces Road. OWNER agrees to complete the COUNTY's encroachment permit application submittal process and comply with all permit requirements. No application fee will be charged to OWNER by COUNTY in conjunction with processing and issuing said permit.
- v. COUNTY will issue an encroachment permit to OWNER to install a new water pipeline near Via Senda. OWNER agrees to complete the COUNTY's encroachment permit application submittal process and comply with all permit requirements. No application fee will be charged to OWNER by COUNTY in conjunction with processing and issuing said permit.
- vi. COUNTY understands and acknowledges that OWNER leases nearby real property to the Hope Ranch Trails Association (HRTA). County agrees not to restrict access to the HRTA during construction of the Project.
- vii. As part of the COUNTY's implementation of the required mitigation for the Project, and the COUNTY's desire to exceed those minimum requirements and provide additional public benefit through preservation of existing open space adjacent to the multi-use path, and as necessary to secure the LAND TRUST's determination that the planned Project and the Project Easements are consistent with the Conservation Easement, COUNTY agrees:
 - a. To install a fence along the full distance of the Project Easement for the full length of the Project Property along Modoc Road, as shown in the approved Project Plans. The location of the fence will be designed with the intention of deterring unauthorized public access to all privately owned property, especially the Modoc Preserve from the Project.
 - b. To revegetate all areas disturbed by the Project construction with native vegetation, at COUNTY's sole expense, and shall monitor and maintain such native vegetation for a period of at least 36 months following completion of Project construction, and further will maintain all revegetation within the permanent easement area conveyed by OWNER to COUNTY. COUNTY agrees that the LAND TRUST may designate plant types for such native revegetation.
 - c. To install the Project improvements per the Project Plans for the Project that are jointly approved by the Parties, as evidenced by the signatures on this Agreement.
 - d. To execute and record a restrictive covenant on the COUNTY-owned parcel AP#065-320-004 ("More Mesa Parcel") that would preserve the More Mesa Parcel and restrict its use for the benefit of the public (Exhibit 7).

B. OWNER agrees:

- i. To work cooperatively with COUNTY in conjunction with the completion of the Project improvements.
- ii. To diligently execute all documents in a timely manner as required to complete the lease and permits referenced hereinabove.
- iii. To make the facilities modifications referenced in Paragraph 2.A.ii.a through c. of this Agreement within sixty (60) days of the date of the Notice of commencement of Project construction issued by COUNTY to OWNER.

C. LAND TRUST agrees:

- i. To work cooperatively with COUNTY and OWNER in conjunction with the completion of the Project improvements and the associated modifications of OWNER's facilities.
- ii. To diligently execute all documents in a timely manner as required to complete the provisions of this Agreement.
- iii. Signatures of the LAND TRUST on this Agreement shall be deemed evidence of its finding of conformity of the Project Plans and the Project Easements with its Conservation Easement conditions on the Project Property, and shall be deemed the LAND TRUST's approval of the Project Plans and the Project Easements. The Project is deemed in conformity with the Land Trust's conservation easement provisions.

3. TRANSACTION FEES:

A. Escrow shall be opened with First American Title Company ("Title Company"), with instructions to be based upon the terms and conditions set forth herein, and COUNTY shall deliver a copy of this Agreement to the Title Company along with the original Project Easement Agreement and County-signed Certificate of Acceptance. On behalf of the COUNTY and OWNER and the LAND TRUST, their properly designated representatives shall execute the necessary title and recordation instructions and/or additional documents which may be required to complete the closing of this real property transaction. This Agreement 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 of the transactional processing documents, the terms of this Agreement shall govern. COUNTY at its sole discretion may choose to process this transaction as a title-only transaction through First American Title Company rather than utilizing a full escrow process.

B. Title and other transactional processing fees shall be paid as follows:

- i. A Standard California Land Title Association owner's policy of title insurance covering the real property interests conveyed in the Project Easement Agreement shall be paid for by COUNTY.

- ii. OWNERS shall pay for any additional title insurance coverage that may be required by the OWNER.
- iii. COUNTY shall pay for any additional title insurance coverage that may be required by the COUNTY.
- iv. COUNTY shall pay any required County Documentary Transfer Tax ("Transfer Tax"). COUNTY'S documents recorded in this transaction should be deemed exempt from such tax.
- v. COUNTY shall pay any subordination fees and other costs of monetary lien clearances as may be required to convey title to the Project Easements to COUNTY, free and clear of monetary encumbrances.
- vi. COUNTY shall pay all standard transactional processing fees except as otherwise required by this Agreement.

C. OWNER shall pay all transactional processing fees in the event that this Agreement is canceled by the OWNER prior to the Closing Date (defined below).

D. COUNTY shall pay all transactional processing fees in the event that this Agreement is canceled by COUNTY prior to the Closing Date (defined below).

E. The Closing shall be on or before December 1, 2024 (the "Closing Date"), or such other date if the Closing is extended pursuant to the terms herein or as the parties hereto mutually agree to in writing. The "Closing" is defined as the date that the Project Easement Agreement is recorded in the Santa Barbara County Recorder's office. The Parties acknowledge that the Well #18 Lease, the Encroachment Permits, and the More Mesa restrictive covenant referenced in Section 2 of this Agreement will all follow the Closing Date and will be processed outside of this Escrow. Escrow's Closing conditions shall include:

- i. the recordation of the Project Easement Agreement, which shall vest the Project Easements described therein in COUNTY.

4. TITLE AND DEED: Title to the Project Easements shall be free of liens, encumbrances, restrictions, rights to possession or claims to possession, rights, and conditions (recorded and/or unrecorded) known or unknown to OWNER and/or COUNTY, except:

- A. The Conservation Easement, to which the Project Easements will be subject.
- B. All easements or rights of way for public or quasi-public utility or public street purposes, if any, approved by COUNTY.
- C. All exceptions contained in the preliminary title report as may be approved by COUNTY.

D. Property taxes for the Project Property for the fiscal year in which this transaction closes shall be satisfied in a manner consistent with California Revenue and Taxation Code Section 4986(a)(6). Escrow Officer is authorized to pay all delinquent taxes, if any, from the amount shown in Section 1, SALE AND PURCHASE PRICE, herein above. OWNER understands that pursuant to Section 4986(a)(6), OWNER may receive after the Close of Escrow, either 1) an unsecured

property tax bill from the County of Santa Barbara Treasurer-Tax Collector for real property taxes that may be due on the Project Property; or 2) a County of Santa Barbara warrant from the County of Santa Barbara Auditor-Controller to reimburse OWNERS for any prepaid property taxes that may be canceled for the Project Property. OWNER shall pay any such amounts in accordance with the terms of such tax bill or warrant.

The COUNTY shall pay for the cost of a Preliminary Title Report covering said Project Property from said Title Company in Section 2 above. COUNTY shall have the right to review the Preliminary Title Report and disapprove in writing, those items disclosed in the Preliminary Title Report prior to the Closing. OWNER shall have the right within ten (10) days from receipt of notice of disapproval to correct the condition(s) that adversely affect said Project Property as determined by COUNTY in its discretion. If OWNER does not correct any such condition, COUNTY may terminate this Agreement or pursue other means of perfecting title, at COUNTY's sole discretion.

Closing related to the Project Easement Agreement shall be automatically extended for thirty (30) days where there is a need for OWNER to correct an adverse condition unless OWNER refuses to correct such condition or unless correction requires more than thirty (30) days in which case Closing shall be extended to the date of refusal or date of correction respectively.

5. TITLE COMPANY OBLIGATIONS: Title Company shall be obligated as follows:

A. Provide a current preliminary title report covering the real properties which are the subject of the Project Easement Agreement, at COUNTY's expense;

B. At Closing, the Project Easement Agreement and its Certificate of Acceptance shall be recorded concurrently, vesting all rights, title and interests described in the Project Easement Agreement in COUNTY;

C. Issue or have issued to COUNTY the California Land Title Association policy of title insurance required herein;

D. To obtain subordinations from any holders of liens against the Project Property and record them concurrently in the Santa Barbara County Recorder's Office with the executed Project Easement Agreement, and deliver the recorded easements to COUNTY ;

E. Provide COUNTY and OWNER and the LAND TRUST with Conformed Copies of all recorded documents pertaining to this Agreement; and

F. Provide COUNTY and OWNER and the LAND TRUST a confirmation of Project Easement Agreement recordation.

6. COUNTY OBLIGATIONS: The COUNTY shall be obligated as follows:

A. COUNTY shall timely deliver to Title Company all documents and fees required to be deposited by COUNTY under this Agreement.

B. COUNTY shall be responsible to pay for any and all costs identified as COUNTY's costs as contained in this Agreement.

7. REPRESENTATIONS AND WARRANTIES: The Parties each represent and warrant that:

A. There is no suit, action, arbitration, legal, administrative, or other proceeding or inquiry pending against the Project Property or pending against OWNER, LAND TRUST, and/or COUNTY, which could affect OWNER'S title of the Project Property, or subject the OWNER of the Property to liability.

B. There are no attachments, execution proceedings, assignments for the benefit of creditors, insolvency, or bankruptcy, reorganization or other proceedings pending against the OWNER restricting the Close of Escrow.

C. OWNER has not actually received any formal, written notice of any pending change in zoning from any governmental or quasi-governmental authority, which change would materially affect the present zoning or present use of the Properties. The term "formal written notice" as used in this Agreement shall mean that kind and method of notice which must legally be given to the owner of the Project Property, but shall not mean notice by publication.

D. OWNER will not subject the Project Property to any additional liens, encumbrances, covenants, conditions, easements, rights of way or similar matters after the execution of this Agreement that will not be eliminated prior to the Close of Escrow.

E. Neither the entering into this Agreement nor the performance of any of OWNER'S or LAND TRUST's obligations under this Agreement will violate the terms of any contract, agreement or instrument to which OWNER and/or the LAND TRUST is a party.

F. Neither OWNER nor LAND TRUST has actually received any formal written notice of any presently uncured violation of any law, ordinance, rule or regulation (including, but not limited to, those relating to zoning, building, fire, health and safety) of any governmental, quasi-governmental authority bearing on the construction, operation, ownership or use of the Project Property.

G. OWNER represents and warrants there are currently no tenants having any rights, title or interests, possessory or otherwise, in the area being conveyed to COUNTY by said Project Easement Agreement, and no tenants will be occupying the Project Easement areas described in the Easement Agreement before and/or after the execution of this Agreement.

H. OWNER and LAND TRUST shall not enter into any rental or lease agreement affecting the Project Easements before and/or after the execution of this Agreement that will not be eliminated prior to the Closing. In the event the OWNER or LAND TRUST has entered and/or wish to enter into a rental and/or lease agreement for the Project Property, COUNTY at its sole option may terminate this Agreement.

Except for the warranties of Paragraphs d and h above, the representations in this Section 7 are made to the best of OWNER'S and LAND TRUST's knowledge after reasonable inquiry.

8. OWNER'S OBLIGATIONS: The OWNER shall be obligated as follows:

A. OWNER shall deliver to the Title Company an executed Project Easement Agreement conveying the rights therein described to COUNTY. The Project Easement Agreement shall be vested in "COUNTY OF SANTA BARBARA, a political subdivision of the State of California."

B. OWNER ensures that the Project Easements being conveyed to COUNTY are free and clear of any and all liens and encumbrances including the removal of financial indebtedness (excepting taxes), excepting only the LAND TRUST conservation easement.

C. OWNER shall pay, if and when the same are due, all payments on any encumbrances or assessments presently affecting the Project Property and any and all taxes, assessments, and levies in respect to the Project Property prior to the Closing.

D. OWNER shall not record any covenants, conditions, or restrictions against the Project Property, including without limitation any application for annexation or development of the Project Property.

E. OWNER shall be responsible to pay for any and all costs identified as OWNER'S costs as contained in this Agreement. OWNER'S costs associated with this Agreement shall be paid by OWNER at the Close of Escrow from the purchase price as stated in Section 1 above.

F. OWNER shall timely deliver to Title Company all documents required to be deposited by OWNER under this Agreement.

G. OWNER shall remove any personal property, inventory or other personal materials including temporary trailers, containers, and debris from the portions of the Project Property described in the Project Easement Agreement within Seven (7) calendar days or sooner before the escrow Closing. In the event that any temporary trailers, containers, and debris are remaining in the Project Easement areas conveyed by the Project Easement Agreement five (5) calendar days before the Closing then COUNTY may, at its sole option, clear said items from the Project Easements, without further obligations or liability to OWNER.

9. COMMISSION AND LEGAL FEES: It is understood that each of the Parties to this Agreement represent themselves in this transaction and that any commission paid to any agent or broker or any fees paid to legal counsel in conjunction with this transaction shall be paid by the party who retained such agent or counsel.

10. GOOD FAITH DISCLOSURE BY OWNER: OWNER shall make a good faith disclosure to COUNTY of any and all facts, findings, or information on the Project Property, known to OWNER after reasonable inquiry, 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 OWNER concerning the condition of the Project Property shall be delivered to COUNTY no later than ten (10) days following COUNTY's execution of this Agreement. Except for the disclosure requirements of this Section 10 and the representations and warranties provided elsewhere in this Agreement, COUNTY is purchasing the easement rights described in the Project Easement Agreement "as is" without further representations or warranties of OWNER.

If such facts or information provided by OWNER regarding the Project Property discloses conditions that adversely affect the continued or contemplated use of the Project Property, and that COUNTY reasonably deems unacceptable, or if COUNTY otherwise discovers such facts or

information through tests and/or surveys which disclose such conditions, and OWNER is unwilling or unable to correct such conditions to the reasonable satisfaction of COUNTY or any governmental body having jurisdiction, then COUNTY may, at its sole option, terminate this Agreement. Within ten (10) business days of actual receipt of said disclosure information, COUNTY shall notify OWNER of the conditions it deems unacceptable and the corrections desired and request OWNER, at OWNER's expense, to correct the condition(s) affected thereby to the reasonable satisfaction of COUNTY and/or any governmental body having jurisdiction. Failure to so correct shall be grounds for termination of this Agreement.

11. INSPECTION BY COUNTY: COUNTY upon not less than 24-hour notice to the OWNER and the LAND TRUST shall have the right of entry onto the Project Easements described in the Project Easement Agreement to conduct such non-invasive and non-intrusive inspections and testing thereon as are, in COUNTY's reasonable discretion, necessary to reasonably determine the condition of such areas. The scope of any such testing or inspection which requires physical sampling shall be subject to:

A. The requirement that COUNTY conduct all such inspections and testing, including the disposal of samples taken, in accordance with applicable law and at no cost or liability to OWNER. COUNTY shall complete such inspections and testing and shall restore all areas of the Project Property to its pre-test and pre-inspection condition as near as is practicable.

If any toxins or contaminants discovered, COUNTY shall notify OWNER immediately and OWNER 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 OWNER elects not to take actions in response to such notifications, then, notwithstanding other provisions contained herein, OWNER and/or COUNTY shall have the right at any time prior to the Close of Escrow to terminate this Agreement with no further liability.

COUNTY shall give OWNER and the LAND TRUST written notice prior to the commencement of any testing or inspections in, on or about the Project Property, and OWNER shall have the right to post Notices of Testing, and/or Notices of Non-responsibility as provided by law. All testing on the Project Property shall keep the Project Property free and clear of claims, charges and/or liens for labor and materials, and COUNTY shall defend, indemnify and save harmless each OWNER and the LAND TRUST, and each of their officials, officers, 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 COUNTY, its partners, officers, directors, members, shareholders, independent contractors, agents, or employees.

12. RISK OF LOSS: If, following the date the parties enter into this Agreement, but prior to the Closing, the Project Property is materially damaged (as defined herein), COUNTY shall have the right, exercisable by giving written notice to OWNER within five (5) Business Days after receiving written notice of such damage or destruction (but in any event prior to the Closing), either (i) to terminate this Agreement, in which case neither party shall have any further rights or obligations hereunder (except as expressly provided elsewhere in this Agreement), and any money or documents shall be returned to the party depositing the same and COUNTY shall be responsible for any title or escrow cancellation fee, or (ii) to accept the property rights described in the Project Easement Agreement in their then condition, without a reduction in the Purchase Price.

In the event the Project Property is damaged but the damage does not qualify as material (as defined herein) COUNTY shall receive an assignment of OWNER'S right to any insurance proceeds payable by reason of such damage or destruction and a credit at Closing for any deductible under OWNER'S insurance policies. For the purpose of this Section 12, damage to the Project Property shall be deemed to be "material," or involve a material portion, if the cost of restoration or repair of such damage exceeds \$20,000.

13. DEFAULTS AND DAMAGES. Upon the breach by OWNER of any of the representations and warranties contained in this Agreement, or the default by OWNER in the performance of any other obligation of OWNER set forth in this Agreement, COUNTY's sole and exclusive remedies shall be to exercise the following remedies: (a) COUNTY may terminate this Agreement by delivery of written notice to OWNER, in which event OWNER shall be responsible for the costs of escrow; or (b) COUNTY may institute proceedings in any court of competent jurisdiction to specifically enforce the performance by OWNER of the terms of this Agreement.

Upon the breach by COUNTY of any of the representations and warranties contained in this Agreement, or the default by COUNTY in the performance of any other obligation of COUNTY set forth in this Agreement, OWNER's sole and exclusive remedies shall be to exercise the following remedies: (a) OWNER may terminate this Agreement by delivery of written notice to COUNTY, in which event COUNTY shall be responsible for the costs of escrow; or (b) OWNER may institute proceedings in any court of competent jurisdiction to specifically enforce the performance by COUNTY of the terms of this Agreement.

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

15. 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, COUNTY may also provide notices, documents, correspondence or such other communications to OWNER, LAND TRUST, or their Representatives 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 OWNER: La Cumbre Mutual Water Company
695 Via Tranquila
Santa Barbara, CA 93110-2229
Telephone: (805) 967-2376
Email: office@lacumbrewater.com

IF TO LAND TRUST: The Land Trust for Santa Barbara County
PO Box 91830
Santa Barbara, CA 93190
Telephone: (805) 966-4520
Email: mhendricks@sblandtrust.org

IF TO COUNTY:

County of Santa Barbara
Department of Public Works.
Attn: Chris Sneddon
105 E. Anapamu Street
Santa Barbara, CA 93101
Telephone: (805) 568-3000
Email: csneddo@countyofsb.org

IF TO TITLE OFFICER:

First American Title Company
Title No. 4201-7028156
3780 State Street
Santa Barbara, CA 93105
Telephone: (805) 569-6154
Email: SBTitleTeam@firstam.com

16. SUCCESSORS: This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, executors, successors and assignees of the Parties to this Agreement.

17. ASSIGNMENT PROHIBITION: COUNTY shall not assign its rights or delegate its duties under this Agreement, without the prior written consent of OWNER, which consent may be withheld. Any sale, assignment, or other transfer in violation of this Section 17 shall be null and void.

18. 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.

19. CONSTRUCTION: Section headings are solely for the convenience of the Parties and are not a part of 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 the Parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement.

20. 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.

21. 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.

22. **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 interests described in the Project Easement Agreement.

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

24. **SURVIVAL**: The indemnification provisions of this Agreement shall survive termination and shall be binding on all successors in interest to the Project Property as provided in Section 16 above. In addition, all provisions of this Agreement that by their terms may or are intended to be performed after the recording of the Project Easements, will survive.

25. **AMENDMENT**: This Agreement may not be amended or altered except by a written instrument executed by all Parties.

26. **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.

27. **INDEMNIFICATION**: OWNER covenants and agrees that all material representations regarding the Project Property are true and correct to the best of their knowledge and OWNER agrees to fully indemnify and hold harmless COUNTY for all liability, claims, demands, damages and costs that may arise should the Project Property be other than that which was represented and warranted.

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

29. **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. OWNER represents and warrants that it is the sole owner of the Project Property and is authorized to execute this Agreement, to consummate the transactions contemplated hereby, and no additional signatures are required. COUNTY represents and warrants that it is the sole owner of the Well #18 Property and is authorized to execute this Agreement, to consummate the transactions contemplated hereby, and no additional signatures are required. LAND TRUST represents and warrants that it is authorized to execute this Agreement and to consummate the transactions contemplated hereby.

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

31. **FACSIMILE/ELECTRONICALLY TRANSMITTED SIGNATURES**: In the event that the Parties utilize facsimile or otherwise scanned transmitted documents or electronically transmitted documents which include digital signatures, such documents shall be accepted as if they bore original signatures provided that the signature and execution comply with the California Uniform Electronic Transactions Act. Without limiting the foregoing, the Parties

agree that signatures effected and delivered through the DocuSign service will satisfy this requirement. The foregoing notwithstanding, original signatures shall be required for the Project Easement Agreement; facsimile, scanned, and/or electronic signatures shall not be accepted for the Project Easement Agreement. In the event that the Santa Barbara County Recorder's Office requires original signatures for other documents, the Parties shall produce such original signatures within seventy-two (72) hours or at such other time as the Parties mutually agree. Funds shall not be released until such time the Santa Barbara County Recorder's Office has received and accepts documents bearing original signatures by the OWNER. The Parties may agree to extend the Closing Date in order to obtain the necessary original signatures.

IN WITNESS WHEREOF, COUNTY and OWNER and LAND TRUST 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 COUNTY.

"OWNER"

La Cumbre Mutual Water Company, a corporation

By: _____
Name: _____
Title: _____

Date: _____

By: _____
Name: _____
Title: _____

Date: _____

"LAND TRUST"

The Land Trust of Santa Barbara County, a California nonprofit public benefit corporation

By: 
Name: MEREDITH HENDRICKS
Title: EXECUTIVE DIRECTOR

Date: 11/1/24

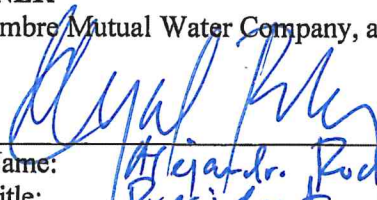
Signatures continue on following page

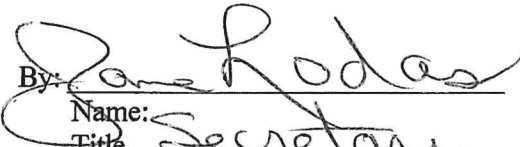
agree that signatures effected and delivered through the DocuSign service will satisfy this requirement. The foregoing notwithstanding, original signatures shall be required for the Project Easement Agreement; facsimile, scanned, and/or electronic signatures shall not be accepted for the Project Easement Agreement. In the event that the Santa Barbara County Recorder's Office requires original signatures for other documents, the Parties shall produce such original signatures within seventy-two (72) hours or at such other time as the Parties mutually agree. Funds shall not be released until such time the Santa Barbara County Recorder's Office has received and accepts documents bearing original signatures by the OWNER. The Parties may agree to extend the Closing Date in order to obtain the necessary original signatures.

IN WITNESS WHEREOF, COUNTY and OWNER and LAND TRUST 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 COUNTY.

"OWNER"

La Cumbre Mutual Water Company, a corporation

By: 
Name: Alejandro Rodriguez
Title: President
Date: Nov. 1, 2024

By: 
Name: Sam Rodas
Title: Secretary
Date: Nov. 1, 2024

"LAND TRUST"

The Land Trust of Santa Barbara County, a California nonprofit public benefit corporation

By: _____
Name: _____
Title: _____

Date: _____

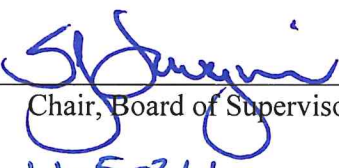
By: _____
Name: _____
Title: _____

Date: _____

Signatures continue on following page

"COUNTY"

COUNTY OF SANTA BARBARA
Steve Lavagino

By: 
Chair, Board of Supervisors

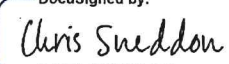
Date: 11-5-24

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

By: 
Deputy Clerk

RECOMMENDED FOR APPROVAL:

DocuSigned by:

By: 67CEC4FE68B848C...
Chris Sneddon, Director
Public Works Department

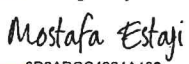
Date: 10/25/2024 | 11:20 AM PDT

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

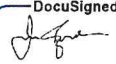
Signed by:

By: 5DB10F553F3444F...
Deputy County Counsel

APPROVED:

DocuSigned by:

By: 8D2ADCC4984A489...
Mostafa Estaji
Deputy Public Works Director

APPROVED AS TO FORM:
BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

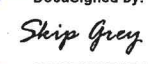
DocuSigned by:

By: 6BAAEA15901943F...
Deputy Auditor-Controller

APPROVED AS TO FORM:

Signed by:

By: 05F555F00269466...
Greg Milligan, ARM
Risk Manager

APPROVED:

DocuSigned by:

By: AB6DED76EAF541F...
Skip Grey, Assistant Director
General Services-Real Property

- Exhibit 1: Project Property
- Exhibit 2: Deed of Conservation Easement (9/1/1999)
- Exhibit 3: Project Easement Agreement
- Exhibit 4: Project Plans
- Exhibit 5: Design Guidelines, Land Trust of Santa Barbara
- Exhibit 6: Lease for Well #18
- Exhibit 7: Declaration of Restrictive Covenant

Acquisition: Modoc Road, Santa Barbara, California
APN: 61-220-009, -010, 061-261-001