

Project: Disposition 117 North B Street, Lompoc
APN: 085-141-003
File No.: 003960

REAL PROPERTY PURCHASE & SALE AGREEMENT AND ESCROW INSTRUCTIONS

1. Buyer.

1.1 Housing Authority of the County of Santa Barbara, a public body, corporate and politic, ("**Buyer**") hereby agrees to purchase the real property, hereinafter described, from County of Santa Barbara, a political subdivision of the State of California the owner thereof ("**Seller**") (collectively, the "**Parties**" or individually, a "**Party**"), through an escrow ("**Escrow**") to close, on or before December 22, 2020 ("**Expected Closing Date**") to be held by First American Title Company, File Number 6335219, Allison Campitelli, Escrow Officer ("**Escrow Holder**") whose address is 100 South H Street, Lompoc CA, 93436, Phone Number: (805) 347-2901, Facsimile Number: (866) 445-9586, upon the terms and conditions set forth in this agreement ("**Agreement**"). Buyer may assign Buyer's rights hereunder with the prior written consent of Seller, but any such assignment shall not relieve Buyer of Buyer's obligations herein unless Seller expressly releases Buyer. The foregoing notwithstanding, Buyer may assign its rights under this Agreement without Seller's prior written consent to its co-applicant for Project Homekey funding, the Surf Development Company.

1.2 The term "**Date of Agreement**" as used herein shall be the date when executed by the Seller.

2. Property.

2.1 The real property ("**Property**") that is the subject of this Agreement consists of a two-story free standing commercial building approximately 6,765 square feet situated on approximately 13,940 square feet located in the County of Santa Barbara, is commonly known as 117 North B Street, Lompoc, California 93436, more particularly described as Assessor's Parcel Number 085-141-003, all improvements on said Property and is legally described as: per First American Title Company.

2.2 If the legal description of the Property is not complete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected **by the Buyer** to meet the requirements of First American Title Company ("**Title Company**"), which shall issue the title policy hereinafter described.

2.3 The Property includes, at no additional cost to Buyer, the permanent improvements thereon, including those items which pursuant to applicable law are a part of the property, as well as the following items, if any, owned by Seller and at present located on the Property: electrical distribution systems (power panel, bus ducting, conduits, disconnects, lighting fixtures); telephone distribution systems (lines, jacks and connections only); space heaters; heating, ventilating, air conditioning equipment ("**HVAC**"); air lines; fire sprinkler systems; security and fire detection systems; carpets; window coverings; wall coverings; and all furniture, fixtures and equipment (collectively, the "**Improvements**").

2.4 The fire sprinkler monitor ownership will be determined during Escrow

2.5 Except as provided in Paragraph 2.3, the Purchase Price does not include Seller's personal property, furniture and furnishings, cubical furniture, fixtures and equipment including telecommunication equipment, security equipment (i.e. monitors, cameras, access control system and equipment) all of which shall be removed by Seller prior to Closing.

3. Purchase and Purchase Price.

3.1 Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, the Property and the purchase price ("**Purchase Price**") to be paid by Buyer to Seller for the Property shall be a Total Purchase Price of \$1,600,000, payable pursuant to the "Grant" set forth in Paragraph 4.1.

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4. Financing Contingency

4.1 This Agreement is contingent upon Buyer obtaining from the California Department of Housing and Community Development ("HCD") a commitment to grant to Buyer a sum equal to the amount set forth in Buyer's application for the HCD Homekey Program, (Submission Number: NOFA-Homekey00051), on terms reasonably acceptable to Buyer ("Grant"). In order for this contingency to be waived, both Parties must send written notice of their determination that the conditioned is waived.

4.2 If Buyer shall fail to notify Escrow Holder and Seller, in writing within Ninety (90) days following the Date of Agreement, that the Grant has not been obtained, it shall be conclusively presumed that Buyer has not obtained said New Loan and has not waived this New Loan contingency.

4.3 If Buyer shall notify Escrow Holder and Seller, in writing, within the time specified in paragraph 4.2 hereof, that Buyer has not obtained said Grant, this Agreement shall be terminated, and Buyer shall pay the Escrow Holder and Title Company cancellation fees and costs.

4.4 In the event that HCD terminates the Grant to Buyer after commitment as described in subparagraph 4.1 but prior to the Closing, Buyer and Seller shall each have the right to unilaterally terminate this Agreement upon written notice to the other Party and Escrow Holder. In such event, Buyer shall pay the Escrow Holder and Title Company cancellation fees and costs.

5. Escrow and Closing.

5.1 This Agreement, shall constitute not only the agreement of purchase and sale between Buyer and Seller, but also instructions to Escrow Holder for the consummation of the Agreement through the Escrow. Escrow Holder shall not prepare any further escrow instructions restating or amending the Agreement unless specifically so instructed by the Parties herein. Subject to the reasonable approval of the Parties, Escrow Holder may, however, include its standard general escrow provisions. In the event that there is any conflict between the provisions of the Agreement and the provisions of any additional escrow instructions the provisions of the Agreement shall prevail as to the Parties and the Escrow Holder.

5.2 Escrow Holder is hereby authorized and instructed to conduct the Escrow in accordance with this Agreement, applicable law and custom and practice of the community in which Escrow Holder is located, including any reporting requirements of the Internal Revenue Code. In the event of a conflict between the law of the state where the Property is located and the law of the state where the Escrow Holder is located, the law of the state where the Property is located shall prevail.

5.3 Subject to satisfaction of the contingencies herein described, Escrow Holder shall close this escrow (the "Closing") by recording a grant deed and the other documents required to be recorded, including a conform copy of the grant deed to the Seller and by disbursing the funds and documents in accordance with this Agreement.

5.4 Buyer and Seller shall each pay one-half of the Escrow Holder's charges and Seller shall pay the usual recording fees and any required documentary transfer taxes. Seller shall pay the premium for a standard coverage owner's or joint protection policy of title insurance. (See also paragraph 8.)

5.5 Escrow Holder shall verify that all of Buyer's contingencies have been satisfied or waived prior to Closing. The matters contained in paragraphs 6.1 subparagraphs (b), (c), (d), (e), (g), (k) and (l), 6.4, 9, 10, and 11, are, however, matters of agreement between the Parties only and are not instructions to Escrow Holder

5.6 If this transaction is terminated for non-satisfaction and non-waiver of a Buyer's Contingency, as defined in Paragraph 6.2 or disapproval of any other matter subject to Buyer's approval, then neither of the Parties shall thereafter have any liability to the other under this Agreement, except to the extent of a breach of any affirmative covenant or warranty in this Agreement. In the event of such termination, Buyer shall, subject to the provisions of paragraph 8, be promptly refunded all funds deposited by Buyer with Escrow Holder, less only the Title Company and Escrow Holder cancellation fees and costs, all of which shall be Buyer's obligation. If this transaction is terminated as a result of Seller's breach of this Agreement then Seller shall pay the Title Company and Escrow Holder cancellation fees and costs.

5.7 The Closing shall occur on the Expected Closing Date, or as soon thereafter as the Escrow is in condition for Closing; provided, however, that if the Closing does not occur by the Expected Closing Date and said Date is not extended by mutual instructions of the Parties, a Party not then in default under this Agreement may notify the

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other Party, and Escrow Holder in writing that, unless the Closing occurs within 5 business days following said notice, the Escrow shall be deemed terminated without further notice or instructions.

5.8 Except as otherwise provided herein, the termination of Escrow shall not relieve or release either Party from any obligation to pay Escrow Holder's fees and costs or constitute a waiver, release or discharge of any breach or default that has occurred in the performance of the obligations, agreements, covenants or warranties contained therein.

5.9 If this sale of the Property is not consummated for any reason other than Seller's breach or default, then at Seller's request, Buyer shall within 5 days after written request deliver to Seller, at no charge, copies of all surveys, engineering studies, soil reports, maps, master plans, feasibility studies and other similar items prepared by or for Buyer that pertain to the Property. Provided, however, that Buyer shall not be required to deliver any such report if the written contract which Buyer entered into with the consultant who prepared such report specifically forbids the dissemination of the report to others.

6. Contingencies to Closing.

6.1 All Buyer's Contingencies in paragraphs 6.1.(a) through (h) and (j) shall be satisfied within Sixty (60) days following the Date of Agreement. Buyer to approve or disapprove all Buyer's Contingencies in writing.

The Closing of this transaction is contingent upon the satisfaction or waiver of the following contingencies. **IF BUYER FAILS TO NOTIFY ESCROW HOLDER, IN WRITING, OF THE APPROVAL OF ANY OF SAID CONTINGENCIES WITHIN THE TIME SPECIFIED THEREIN, IT SHALL BE CONCLUSIVELY PRESUMED THAT BUYER HAS DISAPPROVED SUCH ITEM, MATTER OR DOCUMENT.** Buyer's conditional approval shall constitute disapproval, unless provision is made by the Seller within the time specified therefore by the Buyer in such conditional approval or by this Agreement, whichever is later, for the satisfaction of the condition imposed by the Buyer. Escrow Holder shall promptly provide all Parties with copies of any written disapproval or conditional approval which it receives

- (a) *Disclosure.* Seller shall make to Buyer, through Escrow, all of the applicable disclosures required by law (See AIR CRE ("AIR") standard form entitled "Seller's Mandatory Disclosure Statement") and provide Buyer with a completed Property Information Sheet ("**Property Information Sheet**") concerning the Property, duly executed by or on behalf of Seller in the current form or equivalent to that published by the AIR within Thirty (30) days following the Date of Agreement. Without limiting the foregoing, within Thirty (30) days following the Date of Agreement Seller shall provide Buyer with the following items in Seller's reasonable possession or which were prepared for Seller: copies of building plans and drawings, government approvals and permits, property reports, information regarding easements and rights of way, ALTA surveys and/or other surveys, and the like. Buyer has Sixty (60) days from the Date of Agreement to approve or disapprove the matters disclosed.
- (b) *Physical Inspection.* Buyer has Sixty (60) days following the Date of Agreement to satisfy itself with regard to the physical aspects and size of the Property.
- (c) *Hazardous Substance Conditions Report.* Buyer has Sixty (60) days following the Date of Agreement to satisfy itself with regard to the physical aspects and size of the Property from the Date of Agreement to satisfy itself with regard to the environmental aspects of the Property. Seller recommends that Buyer obtain a Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties. Any such report shall be paid for by Buyer. A "**Hazardous Substance**" for purposes of this Agreement is defined as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect, render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare. A "**Hazardous Substance Condition**" for purposes of this Agreement is defined as the existence on, under or relevantly adjacent to the Property of a Hazardous Substance that would require remediation and/or removal under applicable Federal, state or local law. Within Thirty (30) days following the Date of Agreement Seller shall provide Buyer with copies of any existing environmental reports and any other environmental information regarding the property.

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- (d) *Soil Inspection.* Buyer has Sixty (60) days from the Date of Agreement to satisfy itself with regard to the condition of the soils on the Property. Seller recommends that Buyer obtain a soil test report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any soils report that Seller may have within Thirty (30) days following the Date of Agreement.
- (e) *Governmental Approvals.* Buyer has Sixty (60) days following the Date of Agreement to satisfy itself with regard to approvals and permits from governmental agencies or departments which have or may have jurisdiction over the Property and which Buyer deems necessary or desirable in connection with its intended use of the Property, including, but not limited to, permits and approvals required with respect to zoning, planning, building and safety, fire, police, handicapped and Americans with Disabilities Act requirements, transportation and environmental matters.
- (f) *Conditions of Title.* Escrow Holder shall cause a current commitment for title insurance ("**Title Commitment**") concerning the Property issued by the Title Company, as well as legible copies of all documents referred to in the Title Commitment ("**Underlying Documents**"), and a scaled and dimensioned plot showing the location of any easements to be delivered to Buyer within Thirty (30) days following the Date of Agreement. Buyer has Sixty (60) days from the Date of Agreement to satisfy itself with regard to the condition of title. The disapproval by Buyer of any monetary encumbrance, which by the terms of this Agreement is not to remain against the Property after the Closing, shall not be considered a failure of this contingency, as Seller shall have the obligation, at Seller's expense, to satisfy and remove such disapproved monetary encumbrance at or before the Closing.
- (g) *Survey.* Buyer has Sixty (60) days following the Date of Agreement to satisfy itself with regard to any ALTA title supplement based upon a survey prepared to American Land Title Association ("**ALTA**") standards for an owner's policy by a licensed surveyor, showing the legal description and boundary lines of the Property, any easements of record, and any improvements, poles, structures and things located within 10 feet of either side of the Property boundary lines. Any such survey shall be prepared at Buyer's direction and expense. If Buyer has obtained a survey and approved the ALTA title supplement, Buyer may elect within the period allowed for Buyer's approval of a survey to have an ALTA extended coverage owner's form of title policy, in which event Buyer shall pay any additional premium attributable thereto.
- (h) *Other Agreements.* Seller shall within Thirty (30) days following the Date of Agreement provide Buyer with legible copies of all other agreements ("**Other Agreements**") known to Seller that will affect the Property after Closing. Buyer has Sixty (60) days from the Date of Agreement to satisfy itself with regard to such Agreements, including but not limited to service agreements for air conditioning, elevator, parking lot, roof, alarm service and any other monitoring services.
- (i) *Financing.* The satisfaction or waiver of such Grant contingency described in Paragraph 4.
- (j) *Personal Property.* In the event that any personal property is included in the Purchase Price, Buyer has Sixty (60) days following the Date of Agreement to satisfy itself with regard to the title condition of such personal property. Seller recommends that Buyer obtain a UCC-1 report. Any such report shall be paid for by Buyer. Seller shall provide Buyer copies of any liens or encumbrances affecting such personal property that it is aware of within Thirty (30) days following the Date of Agreement.
- (k) *Destruction, Damage or Loss.* Subsequent to the Date of Agreement and prior to Closing there shall not have occurred a destruction of, or damage or loss to, the Property or any portion thereof, from any cause whatsoever, which would cost more than \$10,000.00 to repair or cure. If the cost of repair or cure is \$10,000.00 or less, Seller shall repair or cure the loss prior to the Closing. Buyer shall have the option, within 10 days after receipt of written notice of a loss costing more than \$10,000.00 to repair or cure, to either terminate this Agreement or to purchase the Property notwithstanding such loss, but without deduction or offset against the Purchase Price. If the cost to repair or cure is more than \$10,000.00, and Buyer does not elect to terminate this Agreement, Buyer shall be entitled to any insurance proceeds applicable to such loss. Unless otherwise notified in writing, Escrow Holder shall assume no such destruction, damage or loss has occurred prior to Closing.

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- (l) *Material Change*. Buyer shall have 10 days following receipt of written notice of a Material Change within which to satisfy itself with regard to such change. "**Material Change**" shall mean a substantial adverse change in the use, occupancy, tenants, title, or condition of the Property that occurs after the date of this offer and prior to the Closing. Unless otherwise notified in writing, Escrow Holder shall assume that no Material Change has occurred prior to the Closing.
- (m) *Seller Performance*. The delivery of all documents and the due performance by Seller of each and every undertaking and agreement to be performed by Seller under this Agreement.

6.2 All of the contingencies specified in subparagraphs (a) through (h) and (j) of paragraph 6.1 are for the benefit of, and may be waived by, Buyer, and may be elsewhere herein referred to as "**Buyer's Contingencies**."

6.3 If any of Buyer's Contingencies or any other matter subject to Buyer's approval is disapproved as provided for herein in a timely manner ("**Disapproved Item**"), Seller shall have the right within 10 days following the receipt of notice of Buyer's disapproval to elect to cure such Disapproved Item prior to the Expected Closing Date ("**Seller's Election**"). Seller's failure to give to Buyer within such period, written notice of Seller's commitment to cure such Disapproved Item on or before the Expected Closing Date shall be conclusively presumed to be Seller's Election not to cure such Disapproved Item. If Seller elects, either by written notice or failure to give written notice, not to cure a Disapproved Item, Buyer shall have the right, within 10 days after Seller's Election to either accept title to the Property subject to such Disapproved Item, or to terminate this Agreement. Buyer's failure to notify Seller in writing of Buyer's election to accept title to the Property subject to the Disapproved Item without deduction or offset shall constitute Buyer's election to terminate this Agreement. The above time periods only apply once for each Disapproved Item. Unless expressly provided otherwise herein, Seller's right to cure shall not apply to the remediation of Hazardous Substance Conditions or to the Financing Contingency. Unless the Parties mutually instruct otherwise, if the time periods for the satisfaction of contingencies or for Seller's and Buyer's elections would expire on a date after the Expected Closing Date, the Expected Closing Date shall be deemed extended for 3 business days following the expiration of: (a) the applicable contingency period(s), (b) the period within which the Seller may elect to cure the Disapproved Item, or (c) if Seller elects not to cure, the period within which Buyer may elect to proceed with this transaction, whichever is later.

6.4 The Parties acknowledge that extensive local, state and Federal legislation establish broad liability upon owners and/or users of real property for the investigation and remediation of Hazardous Substances. The determination of the existence of a Hazardous Substance Condition and the evaluation of the impact of such a condition are highly technical. The Parties acknowledge that they have been advised to consult their own technical and legal experts with respect to the possible presence of Hazardous Substances on the Property or adjoining properties, and Buyer and Seller are not relying upon any investigation by or statement of the other with respect thereto. The Parties hereby assume all responsibility for the impact of such Hazardous Substances upon their respective interests herein.

7. Documents Required at or Before Closing.

7.1 Five days prior to the Closing date Escrow Holder shall obtain an updated Title Commitment concerning the Property from the Title Company and provide copies thereof to each of the Parties.

7.2 Seller shall deliver to Escrow Holder in time for delivery to Buyer at the Closing:

- (a) Grant deed, duly executed and in recordable form, conveying fee title to the Property to Buyer.
- (b) If applicable, any Other Agreements together with duly executed assignments thereof by Seller and Buyer.
- (c) If applicable, a bill of sale, duly executed, conveying title to any included personal property to Buyer.

7.3 Buyer shall deliver to Seller through Escrow.

- (a) Such sums as are required of Buyer under this Agreement shall be deposited by Buyer with Escrow Holder, by federal funds wire transfer, or any other method acceptable to Escrow Holder in immediately collectable funds, no later than 2:00 P.M. on the business day prior to the Expected Closing Date provided, however, that Buyer shall not be required to deposit such monies into Escrow if at the time set for the deposit of such monies Seller is in default or has indicated that it will not perform any of its obligations hereunder. Instead, in such circumstances in order to reserve its rights to proceed Buyer need only provide Escrow with evidence establishing that the required monies were available.

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- (b) Assumptions duly executed by Buyer of the obligations of Seller that accrue after Closing under any Other Agreements.

7.4 At Closing, Escrow Holder shall cause to be issued to Buyer a standard coverage (or ALTA extended, if elected pursuant to 6.1(g)) owner's form policy of title insurance effective as of the Closing, issued by the Title Company in the full amount of the Purchase Price, insuring title to the Property vested in Buyer, subject only to the exceptions approved by Buyer.

IMPORTANT: IN A PURCHASE OR EXCHANGE OF REAL PROPERTY, IT MAY BE ADVISABLE TO OBTAIN TITLE INSURANCE IN CONNECTION WITH THE CLOSE OF ESCROW SINCE THERE MAY BE PRIOR RECORDED LIENS AND ENCUMBRANCES WHICH AFFECT YOUR INTEREST IN THE PROPERTY BEING ACQUIRED. A NEW POLICY OF TITLE INSURANCE SHOULD BE OBTAINED IN ORDER TO ENSURE YOUR INTEREST IN THE PROPERTY THAT YOU ARE ACQUIRING.

8. Prorations and Adjustments.

8.1 *Taxes.* Applicable real property taxes and special assessment bonds shall be prorated through Escrow as of the date of the Closing, based upon the latest tax bill available. The Parties agree to prorate as of the Closing any taxes assessed against the Property by supplemental bill levied by reason of events occurring prior to the Closing. Payment of the prorated amount shall be made promptly in cash upon receipt of a copy of any supplemental bill.

8.2 *Insurance.* **WARNING:** Any insurance which Seller may have maintained will terminate on the Closing. Buyer is advised to obtain appropriate insurance to cover the Property.

8.3 *Expenses.* Scheduled utilities and operating expenses shall be prorated as of the date of Closing.

8.4 *Post Closing Matters.* Any item to be prorated that is not determined or determinable at the Closing shall be promptly adjusted by the Parties by appropriate cash payment outside of the Escrow when the amount due is determined.

9. Representations and Warranties of Seller and Disclaimers.

9.1 Seller's warranties and representations shall survive the Closing and delivery of the deed. Seller's warranties and representations are true, material and relied upon by Buyer in all respects. Seller hereby makes the following warranties and representations to Buyer:

- (a) *Authority of Seller.* Seller is the owner of the Property and/or has the full right, power and authority to sell, convey and transfer the Property to Buyer as provided herein, and to perform Seller's obligations hereunder.
- (b) *Maintenance During Escrow and Equipment Condition At Closing.* Except as otherwise provided in paragraph 6.1(k) hereof, Seller shall maintain the Property until the Closing in its present condition, ordinary wear and tear excepted.
- (c) *Hazardous Substances/Storage Tanks.* Seller has no knowledge, except as otherwise disclosed to Buyer in writing, of the existence or prior existence on the Property of any Hazardous Substance, nor of the existence or prior existence of any above or below ground storage tank.
- (d) *Compliance.* Seller has no knowledge of any aspect or condition of the Property which violates applicable laws, rules, regulations, codes or covenants, conditions or restrictions, or of improvements or alterations made to the Property without a permit where one was required, or of any unfulfilled order or directive of any applicable governmental agency or casualty insurance company requiring any investigation, remediation, repair, maintenance or improvement be performed on the Property.
- (e) *Changes in Agreements.* Prior to the Closing, Seller will not violate or modify any Other Agreement, or create any new leases or other agreements affecting the Property, without Buyer's written approval, which approval will not be unreasonably withheld.
- (f) *Possessory Rights.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.
- (g) *Mechanics' Liens.* There are no unsatisfied mechanics' or materialmen's lien rights concerning the Property.

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- (h) *Actions, Suits or Proceedings.* Seller has no knowledge of any actions, suits or proceedings pending or threatened before any commission, board, bureau, agency, arbitrator, court or tribunal that would affect the Property or the right to occupy or utilize same.
- (i) *Notice of Changes.* Seller will promptly notify Buyer in writing of any Material Change (see paragraph 6.1(l)) affecting the Property that becomes known to Seller prior to the Closing.
- (j) *No Tenant Bankruptcy Proceedings.* Seller has no notice or knowledge that any tenant of the Property is the subject of a bankruptcy or insolvency proceeding.
- (k) *No Seller Bankruptcy Proceedings.* Seller is not the subject of a bankruptcy, insolvency or probate proceeding.
- (l) *Personal Property.* Seller has no knowledge that anyone will, at the Closing, have any right to possession of any personal property included in the Purchase Price nor knowledge of any liens or encumbrances affecting such personal property, except as disclosed by this Agreement or otherwise in writing to Buyer.

9.2 Buyer hereby acknowledges that, except as otherwise stated in this Agreement, Buyer is purchasing the Property in its existing condition and will, by the time called for herein, make or have waived all inspections of the Property Buyer believes are necessary to protect its own interest in, and its contemplated use of, the Property. The Parties acknowledge that, except as otherwise stated in this Agreement, no representations, inducements, promises, agreements, assurances, oral or written, concerning the environmental condition, physical condition or geotechnical condition of the Property, or the Property's compliance with the Americans With Disabilities Act, the Comprehensive Environmental Response Compensation and Liability Act, or any other governmental requirements of the Property, or any aspect of the occupational safety and health laws, Hazardous Substance laws, or any other act, ordinance or law, have been made by either Party or relied upon by either Party hereto.

9.3 In the event that Buyer learns that a Seller representation or warranty might be untrue prior to the Closing, and Buyer elects to purchase the Property anyway then, and in that event, Buyer waives any right that it may have to bring an action or proceeding against Seller regarding said representation or warranty.

9.4 Any environmental reports, soils reports, surveys, and other similar documents which were prepared by third party consultants and provided to Buyer by Seller or Seller's representatives, have been delivered as an accommodation to Buyer and without any representation or warranty as to the sufficiency, accuracy, completeness, and/or validity of said documents, all of which Buyer relies on at its own risk. Seller believes said documents to be accurate, but Buyer is advised to retain appropriate consultants to review said documents and investigate the Property.

9.5 The sale of the Property by the Seller is made and will be made without representation, covenant, or warranty of any kind by Seller. As a material part of the consideration for this Agreement, Buyer agrees to accept the Property on an "as is" and "where is" basis, with all faults, and without any representation or warranty, all of which Seller hereby disclaims, except for representations and warranties set forth in this Agreement by the Seller. Except for Seller's representations and warranties set forth in this Agreement, no warranty or representation is made by Seller as to fitness for any particular purpose, merchantability, design, quality, condition, operation or income, compliance with drawings or specifications, absence of defects, absence of hazardous or toxic substances, hazardous materials, hazardous wastes, absence of faults, flooding, or compliance with laws and regulations including, without limitation, those relating to health, safety, and the environment. Buyer acknowledges that it has entered into this Agreement with the intention of making and relying upon its own investigation of the physical, environmental, economic use, compliance, and legal condition of the Property and that Buyer is not now relying, and will not later rely, upon any representations and warranties made by Seller or anyone acting or claiming to act, by, through or under or on Seller's behalf concerning the Property, except for Seller's representations and warranties set forth in this Agreement, and any other representations and warranties of Seller set forth in this Agreement. The provisions of this Section 9.5 shall survive indefinitely any closing or termination of this Agreement.

10. Possession.

Possession of the Property shall be given to Buyer at the Closing.

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11. Buyer's Entry.

At any time during the Escrow period, Buyer, and its agents and representatives, shall have the right at reasonable times and subject to rights of tenants, to enter upon the Property for the purpose of making inspections and tests specified in this Agreement. No destructive testing shall be conducted, however, without Seller's prior approval which shall not be unreasonably withheld. Following any such entry or work, unless otherwise directed in writing by Seller, Buyer shall return the Property to the condition it was in prior to such entry or work, including the re-compaction or removal of any disrupted soil or material as Seller may reasonably direct. All such inspections and tests and any other work conducted or materials furnished with respect to the Property by or for Buyer shall be paid for by Buyer as and when due and Buyer shall indemnify, defend, (with counsel reasonably acceptable to Seller) protect and hold harmless Seller and Seller's officers, employees, representatives, affiliated entities, and insurers, from and against any and all claims made by any third Party(ies) (whether public or private), whether in the form of a demand or a lawsuit against Seller, Seller's officers, employees, representatives, affiliated entities, or insurers, which in any way relates to the physical or environmental condition of the Property, including but not limited to claims or lawsuits for property damage, personal injury or death of third parties not related to Seller, investigation costs, remediation expenses, natural resource damages, civil penalties, or injunctive relief of any kind resulting from pollution or environmental contamination to air, soil, groundwater, or drinking water, which is alleged to have emanated from or adjacent to the Property. The provisions of this Section 11 shall survive indefinitely any closing or termination of this Agreement.

Buyer and Seller may enter into a separate written agreement pursuant to which Buyer may enter upon the property and conduct such demolition, construction, renovations and/or improvements at the Property prior to the Closing. Buyer shall not conduct such construction, demolition, renovation and/or improvement work without such a written agreement with Seller.

12. Further Documents and Assurances.

The Parties shall each, diligently and in good faith, undertake all actions and procedures reasonably required to place the Escrow in condition for Closing as and when required by this Agreement. The Parties agree to provide all further information, and to execute and deliver all further documents, reasonably required by Escrow Holder or the Title Company.

13. Prior Agreements/Amendments.

13.1 This Agreement supersedes any and all prior agreements between Seller and Buyer regarding the Property.

13.2 Amendments to this Agreement are effective only if made in writing and executed by Buyer and Seller.

14. Notices.

14.1 Whenever any Party, or Escrow Holder herein shall desire to give or serve any notice, demand, request, approval, disapproval or other communication, each such communication shall be in writing and shall be delivered personally, by messenger, or by mail, postage prepaid, to the address set forth in this agreement or by facsimile transmission, electronic signature, digital signature, or email.

14.2 Service of any such communication shall be deemed made on the date of actual receipt if personally delivered, or transmitted by facsimile transmission, electronic signature, digital signature, or email. Any such communication sent by regular mail shall be deemed given 48 hours after the same is mailed. Communications sent by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed delivered 24 hours after delivery of the same to the Postal Service or courier. If such communication is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

14.3 Any Party hereto may from time to time, by notice in writing, designate a different address to which, or a different person or additional persons to whom, all communications are thereafter to be made.

15 Miscellaneous.

15.1 **Binding Effect.** This Agreement shall be binding on the Parties.

15.2 **Applicable Law.** This Agreement shall be governed by the laws of the state in which the Property is located. Any litigation or arbitration between the Parties hereto concerning this Agreement shall be initiated in the county in which the Property is located.

15.3 **Time of Essence.** Time is of the essence of this Agreement.

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15.4 **Counterparts.** This Agreement may be executed by Buyer and Seller in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Escrow Holder, after verifying that the counterparts are identical except for the signatures, is authorized and instructed to combine the signed signature pages on one of the counterparts, which shall then constitute the Agreement.

15.6 **Conflict.** Any conflict between the printed provisions of this Agreement and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions. Seller and Buyer must initial any and all handwritten provisions.

15.7 **Days.** Unless otherwise specifically indicated to the contrary, the word "days" as used in this Agreement shall mean and refer to calendar days.

16. **Construction of Agreement.** In construing this Agreement, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Agreement. Whenever required by the context, the singular shall include the plural and vice versa. This Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

17. Tenancies

Notwithstanding any provisions herein to the contrary, Buyer shall not take possession of the Property subject to any existing tenancies. Seller shall, at Seller's sole cost and expense, terminate any and all existing tenancies in the Property prior to the Closing date. Seller shall indemnify, defend and hold Buyer harmless, to the fullest extent permitted by law, from and against any and all losses, costs, expenses, fees, damages, claims, complaints, demands, awards, and judgments arising out of, or asserted or claimed to arise out of, Seller's termination of, or failure to terminate, any existing tenancies in the Property, whether arising or alleged to have arisen before or after the Closing date. Seller's indemnity herein shall survive the termination or expiration of this Agreement.

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

"Buyer"
"Housing Authority of the County of Santa Barbara"
a political subdivision of the State of California

By: Robert P. Havlicek, Jr.
Robert P. Havlicek, Jr.
Executive Director

Date: 9/9/2020


(Seller signatures continue on next page)

RH
INITIALS

GAH
INITIALS

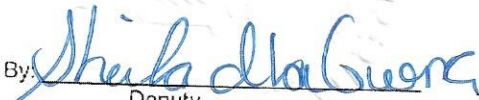
IN WITNESS WHEREOF, Buyer and Seller have executed this Real Property Purchase & Sale Agreement and Escrow Instructions by the respective authorized officers as set forth below to be effective as of the date executed by Seller.

"Seller"
"COUNTY SANTA BARBARA"
a public body, corporate and politic

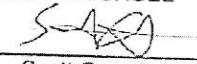
By: 
Gregg Hart, Chair
Board of Supervisors

Date: 9-22-20


ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: 
Deputy

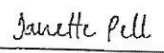
APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: 
Scott Greenwood
Deputy County Counsel

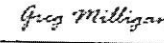
APPROVED AS TO:
ACCOUNTING FORM:
AUDITOR-CONTROLLER

By: 
Edwin Price, Jr.
Date: 2020.09.11
15:42:47 -07'00'
Betsy M. Schaffer
Auditor-Controller

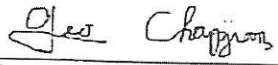
APPROVED:

By: 
Janette D. Pell, Director
General Services

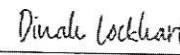
APPROVED AS TO FORM:
CEO/RISK MANAGEMENT

By: 
Greg Milligan
Safety Officer

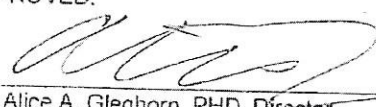
APPROVED:

By: 
George Chapjian, Director
Community Services Department
Development Division


APPROVED:

By: 
Dinah Lockhart, Deputy Director
Housing and Community
Development Division

APPROVED:

By: 
Alice A. Gleghorn, PHD, Director
Department of Behavior Wellness

APPROVED:

By: 
Laura Zeitz, RN, Program Manager
Department of Behavior Wellness