

## SALE AND PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

(County of Fresno – Fancher Creek Properties)

THIS SALE AND PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (“**Agreement**”) is made effective this 9th day of October 2018 (“**Effective Date**”), by and between the County of Fresno, a political subdivision of the State of California (“**Buyer**”), and Fancher Creek Properties, LLC, a California limited liability company (“**Seller**”). Seller and Buyer are sometimes collectively referred to herein as the “**Parties**” and singularly as a “**Party**.”

### RECITALS:

This Agreement is made and entered into with respect to the following facts and circumstances:

- A. Seller is the owner of that certain real property located at the southwest corner of East Harvey Avenue and North Armstrong Avenue in the City of Fresno, State of California, more particularly described in Exhibit A and depicted in Exhibit A-1, both attached hereto and by this reference made a part hereof (collectively, the “**Real Property**”).
- B. Buyer desires to purchase the Real Property from Seller, and Seller desires to sell the Real Property to Buyer, pursuant to the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of their mutual covenants herein contained, and for other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

### ARTICLE I

#### AGREEMENT TO PURCHASE THE REAL PROPERTY

- 1.01 The Real Property. Subject to all of the terms, covenants, conditions, and provisions of this Agreement, and for the consideration herein set forth, Seller agrees to sell the Real Property to Buyer and Buyer agrees to buy the Real Property from Seller on the Closing Date (as defined in Section 7.05 hereinbelow).
- 1.02 Purchase Price. The “**Purchase Price**” shall be the combination of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) for the Real Property in “AS-IS” condition subject to Buyer’s inspection rights as provided in Section 3.02 hereinbelow, the total amount of the Design and Soft Cost Reimbursement described in Section 2.04 below, and the cash sum of Five Hundred Thousand and No/100 Dollars (\$500,000) for Lance-Kashian & Company’s (“**Lance-Kashian**”) internal administrative and office expenses in

connection with the Design Agreements and the Project for the period of March 2014 through the anticipated Closing Date (the “**Lance-Kashian Reimbursement**”). Under no circumstances whatsoever shall the Purchase Price exceed Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00).

- 1.03 Buyer’s Deposit. The Buyer, no later than three (3) days after the opening of “**Escrow**” (as defined in Section 7.01 hereinbelow), shall make a good faith refundable deposit of Twenty Five Thousand and No/100 Dollars (\$25,000.00) (“**Deposit**”) at Old Republic Title at its office at 7451 North Remington Avenue, Suite 102, Fresno, California 93711, Attn: Donna Brown (“**Escrow Holder**”). The Deposit shall be held in an interest bearing account for the benefit of the Buyer. It is the intent of the Parties that the Deposit, together with interest thereon, shall be applied to the Purchase Price of the Real Property at the close of Escrow (as defined in Section 7.01 hereinbelow). In the event Buyer terminates this Agreement for the purchase of the Real Property prior to the expiration of Buyer’s Due Diligence Period (as defined in Section 3.02 hereinbelow), or, prior to the Closing Date as provided herein this Agreement, (1) the entire Deposit plus accrued interest shall be refunded to Buyer. In the event Buyer does not terminate this Agreement at the expiration of the Due Diligence Period and except as expressly provided otherwise herein this Agreement, the Deposit shall be nonrefundable to Buyer except in the event of a default by Seller.
- 1.04 Payment of the Purchase Price. The Purchase Price for the Real Property shall be paid by Buyer to Seller as follows:

Buyer shall deposit into Escrow with Escrow Holder at least two (2) business days before the Closing Date (as defined in Section 7.05 hereinbelow), immediately available cash funds equal to the entire Purchase Price, less the amount of the Deposit and interest on the Deposit, plus Buyer’s share of closing costs pursuant to this Agreement.

## **ARTICLE II**

### **DESIGN AGREEMENTS/ASSIGNMENTS AT CLOSING**

- 2.01 Design Agreements and Soft Costs. The Parties acknowledge that Seller has entered into architectural, engineering and design agreements (the “**Design Agreements**”) listed in Exhibit B under the heading “Architect” in connection with the intended development of the Real Property as a sheriff substation project (the “**Project**”). The Parties further acknowledge that Seller has expended “soft” costs and expenses in connection with the Design Agreements and the Project (the “**Soft Costs**”). A list of the Design Agreements and Soft Costs and costs incurred by Seller under the Design Agreements and for Soft Costs through the date hereof are attached hereto as **Exhibit B**.

- 2.02 Status of Design Agreements. Buyer acknowledges and agrees that the work currently completed under the Design Agreements does not constitute permit-ready plans and specifications for the Project and that Seller has no further obligation to incur costs or authorize further work under the Design Agreements. During the Due Diligence Period, Buyer will satisfy itself as to the current status of the work completed under Design Agreements and any additional work required to obtain permit-ready plans and specifications for the Project, without representation or warranty of any kind by Seller. Buyer further acknowledges and agrees that, after the Close of Escrow, Buyer will be required to expend additional costs and expenses to persons/entities that have created and developed the Design Agreements and other parties to obtain permit-ready plans and specifications for the Project.
- 2.03 Assignment. At the Closing Date, Seller will assign its interest in the Design Agreements to Buyer on an “as is” basis, without representation or warranty of any kind and subject to the release provisions described in Section 3.05 below. Buyer acknowledges that the assignment of some or all of the Design Agreements may require the consent of the respective design professionals performing work under the Design Agreements and that such consent may be conditioned on the payment of additional charges and other terms. During the Due Diligence Period, Buyer will make arrangements to obtain consent to the assignment of the Design Agreements from the applicable design professionals on terms and conditions acceptable to Buyer. Buyer’s completion of arrangements for obtaining consent to the assignment of the Design Agreements by the design professionals is not a condition to Buyer’s obligation under this Agreement: Buyer will complete such arrangements to its satisfaction during the Due Diligence Period.
- 2.04 Design and Soft Cost Reimbursement. At the Closing and as a part of the Purchase Price as provided in Section 1.02, Buyer will reimburse Seller for (1) all costs and expenses incurred by Seller in connection with the Design Agreements and the Soft Costs (the “**Design and Soft Cost Reimbursement**”) and the Lance-Kashian Reimbursement. Prior to the expiration of the Due Diligence Period, Buyer and Seller will confirm the final total amount of the Design and Soft Cost Reimbursement and provide written confirmation of such amount of Design and Soft Cost Reimbursement to Escrow Holder. Seller acknowledges that Buyer shall not be responsible for nor obligated to pay any costs or expenses for the Design and Soft Cost Reimbursement exceeding the aforementioned written confirmation of the final total amount provided to Escrow Holder prior to the expiration of the Due Diligence Period. Under no circumstances whatsoever shall the Design and Soft Cost Reimbursement exceed Five Hundred Thousand Dollars (\$500,000).

**ARTICLE III**  
**POSSESSION, PHYSICAL INSPECTION, AND**  
**CONDITION OF THE REAL PROPERTY**

- 3.01 Possession. Subject to Buyer paying the Purchase Price, and otherwise complying with the terms and conditions of this Agreement which Buyer is required to comply with up to the Closing Date, Buyer shall have the exclusive right to own and possess the Real Property on and after the Closing Date.
- 3.02 Inspection of the Real Property. Buyer and Buyer's agents, employees, and representatives (collectively "**Buyer's Agents**") acknowledge that Buyer commenced its inspection of the Real Property prior to Buyer's execution of this Agreement. Buyer shall have until forty-five (45) days after the date of execution of this Agreement (ending date of the "**Due Diligence Period**") to perform and complete all remaining due diligence regarding the Real Property, including: review of matters of title, inspection of the physical condition of the Real Property, obtaining an acceptable appraisal of the Real Property, obtaining an acceptable Phase I Environmental, termite report, and performing any other inspections, reviewing any agreements relating to the Real Property, obtaining all necessary approvals from the Board of Supervisors, approval of the Design Agreements described in Section 2.01, completion of arrangements necessary to obtain consent to assignment of the Design Agreements to Buyer from applicable design professionals, and conducting other such due diligence as Buyer determines appropriate. Buyer shall indemnify and defend Seller and its partners, members, principals, representatives, affiliates, successors and assigns from any claim, demand, loss, liability, cost or expense (including reasonable attorney's fees) and damages arising out of or resulting from Buyer's or Buyer's consultant's entry on the Real Property or the conduct of any testing or studies on the Real Property, and Buyer shall repair any damage to the Real Property caused by such entry or inspection. At any time during the Due Diligence Period, at Buyer's sole discretion, Buyer shall have the right to terminate this Agreement without cause and to cancel said Escrow with no further obligation or offset on written notice to Seller and Escrow Holder prior to the expiration of the Due Diligence Period. Upon Buyer's termination of this Agreement and cancellation of Escrow, the Deposit plus any accrued interest thereon, shall be immediately refunded to Buyer (less Buyer's share, herein, of any required fees to Escrow Holder).
- 3.03 Documents and Materials. Within five (5) calendar days after the Effective Date, Seller shall make available to Buyer copies of the current real property tax bill for the Real Property, the Design Agreements, and any surveys, engineering studies, plans, soil reports, maps, plans, zoning or other third-party reports or studies relating to the Real Property, in each case to the extent they are in Seller's possession or Seller's consultants' possession (the "**Documents and Materials**") excluding however attorney-work product and any of Seller's internal organizational or operational materials. Seller may provide the Documents and Materials in electronic form or via Dropbox. Seller makes no representation or

warranty concerning the adequacy or accuracy of the Documents and Materials. The Documents and Materials have been furnished as an accommodation to Buyer solely for the purpose of assisting Buyer in conducting its due diligence, a part of which is Buyer's independent determination as to the reliability and completeness of the information contained therein, and Buyer's independent determination of all other due diligence items relevant to Buyer.

- 3.04 **“AS-IS” PURCHASE. SUBJECT ONLY TO THOSE REPRESENTATIONS AND WARRANTIES OF SELLER EXPRESSLY SET FORTH IN SECTION 5.01 HEREIN, BUYER SHALL TAKE TITLE TO THE REAL PROPERTY, IN ITS PRESENT PHYSICAL CONDITION AND ON AN “AS IS” AND “WHERE IS” BASIS, WITH ALL FAULTS, DEFECTS AND DEFICIENCIES, WHETHER KNOWN OR UNKNOWN, IT BEING UNDERSTOOD THAT SELLER IS NOT MAKING ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER TO BUYER AS TO ANY MATTER RELATING TO THE DESIGN AGREEMENTS, INCLUDING, WITHOUT LIMITATION, THE STATUS OF WORK COMPLETED UNDER THE DESIGN AGREEMENTS AND/OR ADDITIONAL DESIGN WORK WHICH MAY BE REQUIRED FOR THE DEVELOPMENT OF THE PROJECT, THE CONTENTS OF THE DOCUMENTS AND MATERIALS, TO THE EXTENT NOT PREPARED BY SELLER, THE PHYSICAL CONDITION OF THE REAL PROPERTY, INCLUDING WITHOUT LIMITATION, THE STRUCTURAL SOUNDNESS THEREOF, HABITABILITY, MERCHANTABILITY, OR FITNESS OF THE REAL PROPERTY, OR ANY PORTION THEREOF, FOR ANY PARTICULAR USE OR PURPOSE BY BUYER, WHETHER OR NOT SUCH PROPOSED USE OR PURPOSE HAS BEEN COMMUNICATED TO SELLER OR IS DESIRED BY SELLER, NOR IS SELLER MAKING ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO THE PRESENCE, ABSENCE OR PROXIMITY ON, UNDER, IN, OR NEAR THE REAL PROPERTY OF ANY HAZARDOUS, TOXIC, CARCINOGENIC OR OTHERWISE HARMFUL SUBSTANCES, OR SEISMIC FAULTS OR FLOOD HAZARDS, NOR IS SELLER MAKING ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO WHETHER OR NOT SUCH PROPERTY COMPLIES OR DOES NOT COMPLY WITH ANY LAWS, REGULATIONS, ORDINANCES, RELATED TO THE CONDITION, USES OR OCCUPANCY THEREOF, NOR IS SELLER MAKING ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO THE DESIGN AGREEMENTS OR THE DOCUMENTS AND MATERIALS. SELLER SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE (INCLUDING CONSEQUENTIAL DAMAGE) OR DIMINUTION OF VALUE OF ANY KIND OR NATURE CAUSED TO THE REAL PROPERTY, DIRECTLY OR INDIRECTLY, WHETHER OR NOT SUCH LOSS, DAMAGE (INCLUDING CONSEQUENTIAL DAMAGE) OR**

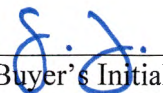
**DIMINUTION OF VALUE WAS DISCOVERED BEFORE OR AFTER  
THE CLOSING DATE.**

**BUYER ACKNOWLEDGES THAT BUYER HAS SPECIFICALLY READ  
AND UNDERSTOOD, AND AGREES TO ALL OF THE PROVISIONS OF  
THIS SECTION 3.04:**

  
(BUYER'S INITIALS)

- 3.05 **Release.** Effective as of the Closing Date and excluding only Seller's express representations and warranties hereunder, Buyer fully and forever waives, releases, acquits and discharges Seller from (a) any and all claims, actions, causes of action, demands, rights, suits or legal or administrative proceedings, whether direct or indirect, known or unknown, foreseeable or unforeseeable, which Buyer now has or that may arise in the future related to or associated with the Design Agreements, including, without limitation, the current status of work performed under the Design Agreements and/or additional design work which may be required for the development of the Project, (b) the contents of the Documents and Materials, to the extent such Documents and Materials were not prepared by Seller, and (c) the matters described in Section 3.04 above.

The releases contained herein are applicable to Seller's partners, members, representatives, officers, directors, shareholders, employees, representatives, consultants, agents, attorneys, successors, assigns and affiliates.

  
Buyer's Initials

**ARTICLE IV**  
**CONDITION OF TITLE TO THE REAL PROPERTY**

- 4.01 **Condition of Title to the Real Property.** Seller shall convey to the Buyer fee title to the Real Property, subject only to (i) the terms and conditions of this Agreement, and (ii) the following exceptions (the "**Permitted Exceptions**"):
- (a) The easements and right-of-way for public roads, public utilities and underground pipelines that are of record.
  - (b) The lien for property taxes, assessments, fees and charges that are assessed but not yet delinquent, provided that all such taxes, assessments, fees and charges accrued as of the Closing Date shall be apportioned to and borne by Seller.
  - (c) All other exceptions to title reflected on the Preliminary Title Report attached hereto as **Exhibit C** (the "**Preliminary Title Report**"), pursuant

to Section 4.02(a) hereinbelow and which exceptions Buyer accepts pursuant to the terms of such Section 4.02(a).

4.02 Title Insurance.

- (a) Buyer acknowledges its receipt of the Preliminary Title Report. Buyer shall notify Seller in writing within twenty (20) days after the Effective Date of this Agreement of any objections to the Preliminary Title Report. Buyer's failure to provide written notice of its objections to title to Seller within said twenty (20)-day period shall conclusively be deemed Buyer's approval of the Preliminary Title Report. Seller shall have ten (10) days after Buyer's notice (if any) to provide Buyer with written notice of its election to cure or not cure such objections. Seller's failure to provide written notice to Buyer within ten (10) days shall be deemed Seller's election not to cure Buyer's objections. In the event Seller notifies (or is deemed to have notified) Buyer that Seller is unable or unwilling to cure such objections within said ten (10)-day period, then Buyer shall have ten (10) days thereafter to elect to either (i) waive Buyer's objections and proceed with the transaction contemplated under this Agreement, or (ii) terminate this Agreement. In the event Buyer elects to terminate this Agreement, both Parties will be relieved of all obligations and duties whatsoever hereunder without liability (excluding Buyer's indemnity obligations under Section 3.02), and Buyer will be entitled to the refund of the Deposit plus any accrued interest thereon less one half of the escrow cancellation fees.
- (b) At the Closing Date and as a condition to Buyer's obligation to purchase the Real Property, Escrow Holder shall issue and deliver to Buyer, its standard coverage ALTA Owner's Policy of Title Insurance insuring title to the Real Property subject to the Permitted Exceptions and with liability in the amount of the Purchase Price applicable to the Real Property (the "**Title Policy**"). Buyer shall bear the cost of the ALTA policy premium over and above the cost of a standard CLTA Owner's policy, including the cost of an ALTA survey necessary to issue the ALTA Extended Owner's policy.
- (c) Buyer shall cause Escrow Holder to issue a Final Title Report, with only Permitted Exceptions, dated as of the Closing Date.

**ARTICLE V**

**COVENANTS, WARRANTIES, AND REPRESENTATIONS**

- 5.01 Covenants, Warranties and Representations of Seller. Seller hereby makes the following covenants, representations and warranties and acknowledges that Buyer's execution of this Agreement has been made and Buyer's acquisition of

the Real Property will be made in material reliance by Buyer on these covenants, representations and warranties:

- (a) Authority. As to Seller, no authorization, approval, filing, consent, qualification, registration, or other order of the State of California or authority or agency thereof, or other state or federal governmental authority or agency, or of any parent company, or affiliate company, is required for the valid authorization, execution, delivery and performance of this Agreement. Further, each individual executing this Agreement on behalf of Seller represents and warrants that he or she is duly authorized to execute this Agreement on behalf of Seller.
- (b) No Violation. Neither this Agreement nor anything provided to be done hereunder violates or will violate any contract, agreement or instrument whatsoever, including without limitation any laws, regulations, or policies relating to any financing, grant or award agreement or instrument, to which Seller is a party, bound or obligated thereto.
- (c) Governmental Violations. To the best of Seller's knowledge, Seller has received no written notice of any pending, threatened or unresolved violations of City of Fresno, County, State, or Federal building, zoning, fire, or health codes or ordinances, or any other governmental law, regulation, rule or policy affecting Seller and concerning the Real Property.
- (d) Eminent Domain. To the best of Seller's knowledge, Seller has no actual, current knowledge of any pending or threatened proceedings in eminent domain or otherwise that would affect the Real Property.
- (e) Litigation. To the best of Seller's knowledge, Seller has no actual, current knowledge of any actions, suits, claims, legal proceedings pending or threatened against Seller involving or affecting the sale of the Real Property to Buyer, at law or in equity, before any court, administrative forum or governmental agency.
- (f) Encumbrances. Seller has not entered into any agreement with any third parties regarding the sale, lease, management, repair, improvement, or any other matter affecting the Real Property, other than the Design Agreements, that would be binding on Buyer or the Real Property.
- (g) Performance. Seller shall timely perform and comply with all of Seller's covenants and agreements contained herein, and shall satisfy all conditions contained herein, that Seller is required to perform, comply with or satisfy under this Agreement.



- (h) Known Inaccurate Representations. If Buyer becomes aware that any of the representations contained in this Section 5.01 are not true and correct as of the Closing Date (“**Known Inaccurate Representations**”), then Buyer may, at its option, (i) waive such misrepresentations and close this transaction, or (ii) unless Seller cures such misrepresentation to Buyer’s reasonable satisfaction prior to the scheduled Closing Date, terminate this Agreement by written notice thereof to Seller and to Escrow Holder in which event the Deposit plus accumulated interest shall be returned to Buyer and the Parties shall have no further right or obligation whatsoever hereunder. The Parties intend that Buyer’s right to terminate as stated herein this section 5.01 (h) shall supersede anything to the contrary whatsoever in this Agreement. Buyer hereby acknowledges and agrees that, upon the Closing of Escrow, any claim of Buyer relating to any Known Inaccurate Representations shall be automatically waived in full by Buyer.
- (i) Person By Which Knowledge is Measured. For purposes of Section 5.01(a)-(h), where knowledge of the Seller is referenced, it shall mean the actual present knowledge of Mr. Edward M. Kashian, Mr. Sal Gonzales and Mr. Thomas G. Richards, without independent investigation.

5.02 Covenants, Warranties and Representations of Buyer. Buyer hereby makes the following covenants, representations and warranties and acknowledges that Sellers’ execution of this Agreement has been made and Sellers’ sale of the Real Property will be made in material reliance by Sellers on these covenants, representations and warranties:

- (a) Authority. The person(s) executing this Agreement on behalf of Buyer has been duly authorized by the County of Fresno Board of Supervisors to enter into and bind Buyer to the terms and conditions of this Agreement.
- (b) Litigation. To the best of Buyer’s knowledge, Buyer has no actual, current knowledge of any actions, suits, claims, legal proceedings pending or threatened in writing against Buyer involving the purchase of the Real Property from Seller, at law or in equity, before any court, administrative forum or governmental agency.
- (c) No Prospective Violations. To the best of Buyer’s knowledge, Buyer has no current, actual knowledge, that the execution and delivery of this Agreement violates or will violate any contract, agreement or instrument, or loans or financing agreements to which Buyer is a party or bound.
- (d) Performance. Buyer shall timely perform and comply with all covenants and agreements herein, and shall satisfy all conditions, that Buyer is required to perform, comply with or satisfy under this Agreement.

- 5.03 Survival. The representations and warranties of the Parties shall survive the close of Escrow and shall not be merged into the Grant Deed.

## **ARTICLE VI**

### **CONDITIONS PRECEDENT**

- 6.01 Conditions Precedent to Seller's Obligation to Perform. Seller's obligation to perform as set forth herein is hereby expressly conditioned on satisfaction of each and every one of the following conditions precedent:

- (a) Buyer shall have timely and fully performed each of the acts to be performed by it hereunder, including without limitation depositing the Purchase Price, and Buyer's share of the Closing Costs (as defined in Section 7.04 hereinbelow) into Escrow (as defined in Section 7.01 hereinbelow) with Escrow Holder prior to Buyer's respective deadlines provided in Section 1.04 and Section 7.02(b) herein.
- (b) Each of Buyer's representations and warranties set forth in Section 5.02 herein shall be true at the time of executing this Agreement, and as of the Closing Date, as if affirmatively made at that time.

The foregoing conditions are solely for the benefit of Seller, any or all of which may be waived in writing by Seller in Seller's sole discretion.

- 6.02 Conditions Precedent to Buyer's Obligations to Perform. Buyer's obligation to perform as set forth herein is expressly conditioned on the satisfaction of each and every one of the following conditions precedent:

- (a) Seller shall have timely and fully performed every act to be performed by it hereunder, including without limitation, deposit into Escrow with Escrow Holder the Grant Deed in a form acceptable to Buyer.
- (b) Each of the representations and warranties of Seller contained in Section 5.01 and in any provision herein shall be true at the time of executing this Agreement, and as of the Closing Date, as if affirmatively made at that time.
- (c) Escrow Holder shall issue the Title Policy as set forth in Section 4.02(b) herein in the condition described in Sections 4.01 and 4.02 hereinabove.
- (d) Buyer did not terminate Escrow, in its sole discretion, prior to the expiration of the Due Diligence Period as provided in Section 3.02.

The foregoing conditions are solely for the benefit of Buyer, any or all of which may be waived in writing by Buyer in Buyer's sole discretion.

- 6.03 Failure or Waiver of Conditions Precedent. In the event that any of the conditions set forth above in Sections 6.01 and 6.02 herein are not fulfilled or waived in writing by the applicable Party on or before the Closing Date, this Agreement shall terminate and all rights and obligations hereunder of each Party shall be at an end, provided however, Seller and Buyer shall be obligated to pay their respective shares of any Escrow cancellation fees. Seller or Buyer may elect, at any time or times prior to the Closing Date, to waive in writing the benefit of any of their respective conditions set forth in Sections 6.01 and 6.02 above, as applicable. In any event, the Parties' consent as provided in this Section 6.03 up to the Closing Date shall waive any remaining unfulfilled conditions up to the Closing Date, provided however, such waiver shall not be deemed to waive any subsequently discovered breach of any representation, warranty, or covenant made by either Party to this Agreement.

## **ARTICLE VII**

### **ESCROW**

- 7.01 Establishment of Escrow. Upon the Effective Date of this Agreement, the Parties shall promptly open escrow (the “**Escrow**”) with Escrow Holder to provide for Seller’s conveyance of the Real Property to Buyer as provided herein. Prior to the Closing Date, a duplicate of this fully-executed Agreement (or Counterparts thereof) shall be deposited with Escrow Holder and shall constitute escrow instructions to Escrow Holder concerning this transaction. Escrow Holder shall notify the Buyer and Seller, in writing, of the date of “**Opening of Escrow.**”
- 7.02 Deposits Into Escrow. The Parties shall make the following deposits into Escrow with Escrow Holder:
- (a) Seller’s Deposits. Seller shall deposit into Escrow with Escrow Holder two business days prior to the Closing Date: (i) an executed and acknowledged original grant deed (the “**Grant Deed**”) for the Real Property to be drawn by Escrow Holder prior to closing and in the form attached hereto as **Exhibit D**; (ii) Seller’s assignment of the Design Agreements; and (iii) as necessary, Seller’s share of the Closing Costs (as that term is defined in Section 7.04 herein).
  - (b) Buyer’s Deposits. Buyer shall deposit the following into Escrow with Escrow Holder, prior to their respective deadlines provided herein:
    - (i) A Preliminary Change in Ownership Report; and
    - (ii) Buyer’s share of the Closing Costs (as that term is defined in Section 7.04 herein), at the same time that Buyer is required to deposit the funds for the Purchase Price into Escrow with Escrow Holder, pursuant to Section 1.04 hereinabove.

- (c) Title Report (Buyer's Deposit). Buyer shall cause the Escrow Holder to deposit the Final Title Report, dated as of the Closing Date, into Escrow, according to the requirements of this Agreement.
- 7.03 Title Insurance. At the Closing Date, Escrow Holder shall issue, effective as of that date, the Title Policy as set forth in Section 4.02 herein.
- 7.04 Costs and Expenses. The Parties agree that any and all of the Closing costs (collectively, the "**Closing Costs**") shall be borne by Sellers and Buyer as follows:
  - (a) Sellers shall bear the base cost of the CLTA Preliminary Title Report.
  - (b) Buyer shall pay the premium costs for an ALTA policy and any endorsements which Buyer elects, in its discretion.
  - (c) Recording fees, transfer taxes, and Escrow Holder's document preparation fees shall be paid by Seller (100%).
  - (d) Escrow fees and any and all other costs necessary to achieve a successful closing of Escrow, including the cost of the Final Title Report, shall be paid 50% by Seller and 50% by Buyer.
  - (e) All property taxes, assessments, fees and other real property charges accrued as of the Closing Date shall be prorated as of the Closing Date. The basis for proration of taxes shall be the last known actual taxes and assessments payable unless the current year tax amounts are known, and shall be based on the assessed value as shown on the assessor's record at the time of settlement. Buyer and Seller agree to adjust the tax proration post-Closing once the final tax bill for the tax year of Closing has been received. This Section shall survive the Closing. Prorations shall be calculated based on a thirty (30) day month and three hundred sixty (360) day year

Each Party shall bear its own legal and accounting fees and costs.

- 7.05 Condition of Close; Closing Date. For valuable consideration, the sufficiency of which is hereby acknowledged, and notwithstanding anything to the contrary herein, or otherwise, the Parties acknowledge and agree that:
  - (a) Not later than forty-five (45) days after the execution of this Agreement ("**Outside Date**") if the Escrow has not been cancelled or terminated as otherwise provided in this Agreement, the Buyer and Seller shall jointly instruct the Escrow Holder that the conditions of the Closing Date have been fulfilled in every respect (except as stated in this Section 7.05, below) (generally referred to as the "**Condition of Close Joint Escrow Instructions**"); and

- (b) Immediately upon issuing the Condition of Close Joint Escrow Instructions the purchase and sale of the Real Property shall be deemed to be in a condition of close, where Buyer and Seller shall be obligated, whatsoever, to consummate the purchase and sale of the Real Property and there shall be no further conditions on either part, except the Buyer and Seller shall complete those actions stated in Sections 7.02, 7.03 and 7.04, above. This subsection (b) is expressly made subject to section 6.03 herein.

Unless otherwise mutually extended by the Parties in writing, the Closing of Escrow shall be fifteen (15) days following the expiration of the Due Diligence Period (the “**Closing Date**”).

- 7.06 Closing Date. Unless otherwise mutually extended by the Parties in writing, this transaction shall be consummated by the recordation of the Grant Deed in the Official Records of the Fresno County Recorder’s Office (“**Official Records**”) and disbursement of the Purchase Price (the “**Close of Escrow**”) on the date that is not more than fifteen (15) days following the expiration of the Due Diligence Period (the “**Closing Date**”).
- 7.07 Conditions Precedent to the Close of Escrow. The Close of Escrow is hereby expressly conditioned on the satisfaction or waiver in writing by the Party whose performance is conditional thereon, of each of the conditions precedent contained in Article VI herein.
- 7.08 Procedure for Closing of Escrow. Escrow Holder shall close the Escrow by doing all of the following:
  - (a) Pay from funds deposited by Buyer and Seller, the Closing Costs to Escrow Holder;
  - (b) After payment of the Closing Costs to Escrow Holder, pay the balance of funds deposited by Buyer to the Seller. In its sole discretion, Seller may elect to instruct Escrow Holder to pay a portion of the Purchase Price identified as the Lance-Kashian Reimbursement directly to Lance-Kashian or otherwise as instructed by Seller;
  - (c) Deliver a copy of Buyer’s and Seller’s closing statements for the Escrow to the respective Parties, subject to Section 7.04 herein;
  - (d) Deliver to Buyer the original and two (2) copies of the Title Policy in the form set forth in Section 4.02(b) herein, at the Closing of Escrow; and
  - (e) Deliver to Buyer the original of Seller’s assignment of the Design Agreements.
  - (f) Deliver the Natural Hazard Disclosure Statement for the Real Property if required by law.

7.09 **LIQUIDATED DAMAGES.** IF THE ESCROW FAILS TO CLOSE BY THE SCHEDULED CLOSING DATE SET FORTH IN SECTION 7.05 SOLELY AS A RESULT OF BUYER'S DEFAULT FOLLOWING THE ENDING DATE OF THE DUE DILIGENCE PERIOD IN THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, THE DEPOSIT SHALL BE RETAINED BY SELLER AS LIQUIDATED DAMAGES AND AS SELLER'S EXCLUSIVE REMEDY AGAINST BUYER, AT LAW OR IN EQUITY OR OTHERWISE. RETENTION OF SUCH FUNDS BY SELLER AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT INSTEAD, IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO SECTIONS 1671, 1676 AND 1677 OF THE CALIFORNIA CIVIL CODE. BECAUSE OF THE SPECIAL NATURE OF THE NEGOTIATIONS THAT PRECEDED ACCEPTANCE BY SELLER OF BUYER'S OFFER TO ACQUIRE THE REAL PROPERTY AND UNIQUE CHARACTER OF THE REAL PROPERTY, THE PARTIES ACKNOWLEDGE THAT THE ACTUAL DAMAGE THAT WOULD RESULT TO SELLER AS A RESULT OF SUCH FAILURE WOULD BE EXTREMELY DIFFICULT TO ESTABLISH. IN ADDITION, BUYER DESIRES TO LIMIT ITS POTENTIAL LIABILITY TO SELLER IN THE EVENT THAT THIS TRANSACTION SHALL FAIL TO CLOSE. THEREFORE, IN ORDER TO INDUCE SELLER TO ACCEPT BUYER'S OFFER AND IN ORDER TO INDUCE SELLER TO WAIVE ALL OTHER REMEDIES IT MAY HAVE IN THE EVENT OF BREACH BY BUYER OF ITS OBLIGATIONS HEREUNDER, BUYER HAS PROPOSED AND SELLER HAS ACCEPTED THE CONCEPT OF LIQUIDATED DAMAGES AS SET FORTH HEREIN, WITH THE AMOUNT OF THE PAYMENT TO SELLER AND THE TIMING OF SUCH PAYMENT HAVING BEEN THE SUBJECT OF CONSIDERABLE NEGOTIATIONS BETWEEN THE PARTIES. BY SEPARATELY INITIALING BELOW, THE PARTIES HEREBY ACKNOWLEDGE THEIR AGREEMENT CONCERNING LIQUIDATED DAMAGES.

BUYER: 8-2 SELLER: E M

7.10 **Seller's Default.** If Seller is in default under this Agreement, other than as a result of a default by Buyer, and such default is not cured within five (5) business days of notice from Buyer specifying the default, then Buyer shall have the election to undertake any of the following: (i) waive such default and proceed with the Closing without adjustment in the Purchase Price or extension of the Closing Date, (ii) commence an action for specific performance within sixty (60) days following the event of such default by Seller, or (iii) terminate this Agreement by written notice to Seller and recover the Deposit plus accrued interest thereon. In no event shall Buyer have any right to maintain an action for consequential or special damages for Seller's breach or default under this Agreement.

**ARTICLE VIII**  
**MISCELLANEOUS**

- 8.01 Survival and Indemnity. Notwithstanding the Closing of Escrow, delivery of instruments, conveyances of the Real Property, and payment of consideration therefor, the Parties agree that the respective representations, warranties, covenants, indemnities, and agreements made by each such Party pursuant to this Agreement, shall survive the Closing of Escrow, and each Party agrees to indemnify, defend, and hold the other harmless from and against any and all claims, demands, losses, obligations, damages, liabilities, causes of action, costs, and expenses (including, without limitation, attorney's, paralegals' and other professionals' fees and costs) arising out of or in connection with a breach by the indemnifying Party of any such representation, warranty, covenant, or agreement.\
- 8.02 No Brokers. Each Party represents to the other that it has not dealt with any broker in such a manner as to incur any liability for any commission, fee or compensation whatsoever in connection with this transaction, and each shall indemnify the other against any loss, cost or expense resulting from any such claim and shall hold the other harmless from any liability in connection with such claim as may result from their dealing with brokers.
- 8.03 Notices. All notices under this Agreement shall be in writing, and be either personally served, sent by (i) United States Postal Service, with postage prepaid, or (ii) a nationally recognized overnight courier service, and addressed to the respective Parties as follows:

To Buyer:     COUNTY OF FRESNO  
                  Internal Services Department (Van Ness Bldg.)  
                  333 West Pontiac Way  
                  Clovis, California 93612  
                  Attn: Robert W. Bash, Director of  
                  Internal Services/Chief Information Officer  
                  Telephone: (559) 600-5800

To Seller:     Fancher Creek Properties, LLC  
                  Attn: Edward M. Kashian  
                  265 East River Park Circle, Suite 150  
                  Fresno, California 93720  
                  Telephone: (559) 438-4800

or to such person or at such other place as either Party may from time to time designate by written notice to the other Party.

Notice given in the foregoing manner shall be deemed sufficiently given for all purposes hereunder on the date such notice was (i) personally delivered, deposited

and postmarked with the United States Postal Service, or (ii) sent by a nationally recognized overnight courier service, and such Party shall otherwise comply with this Section 8.03 concerning the giving of notice in such manner, provided further that, in any event, notices of changes of address or termination of this Agreement shall not be effective until actual receipt.

Notices given hereunder shall not be amendments or modifications to this Agreement.

- 8.04 Entire Agreement. This Agreement, including all exhibits hereto, and all related documents referred to in this Agreement or in the related documents, and the rights and obligations of the Parties hereto, constitutes the entire agreement between Buyer and Seller with respect to the subject matter hereof and supersedes all other Agreement negotiations, proposals, commitments, oral statements, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement.
- 8.05 Amendment. No provisions of this Agreement may be amended or modified in any manner whatsoever except by an agreement in writing by duly authorized representatives of both Parties.
- 8.06 Successors. The terms, covenants, and conditions of this Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, and assignees of the respective Parties.
- 8.07 Attorney's Fees and Costs. If any action or arbitration is filed to enforce or interpret this Agreement (or to specifically enforce this Agreement as provided in Section 7.10) then the prevailing party in such action shall be entitled to recovery their attorneys' fees and costs from the non-prevailing party.
- 8.08 Assignment.
- (a) Buyer may not assign this Agreement, or transfer any of its rights or obligations under this Agreement, or delegate any of its obligations under this Agreement, without the prior express written consent of Seller.
  - (b) Any such assignment or attempted assignment, transfer or attempted transfer, delegation or attempted delegation (in any such event whether voluntary or by operation of law) and any conveyance or attempted conveyance of, grant of rights in or attempted grant of rights in, transfer of or attempted transfer (in any such event(s) whether voluntary or by operation of law) of the Real Property, or any portion thereof, or title thereto, or estate, ownership, or interest or right therein (by way of example, but not limited to, a security interest, lien, encumbrance or deed of trust) by Buyer (or anyone claiming by or through Buyer), without such consent shall be null and void.



(c) Tax-Deferred Exchange.

- (i) If this transaction is consummated as an exchange by Seller, Buyer agrees, upon request by Seller, to execute and deliver to Seller such further documents and instruments in writing related only to the Real Property which may be prepared by Seller and be reasonably required to accomplish an Internal Revenue Code of 1986, as amended (“**Code**”), Section 1031 tax deferred exchange.
- (ii) Buyer shall not be liable for the payment of Seller’s income taxes or for the tax consequences, if any, to Seller as a result of the exchange of the Real Property for Exchange Property. Under no circumstances shall Buyer be required to (a) receive title to, or any interest in, the property to be exchanged (the “**Exchange Property**”), (b) execute any note or deed of trust or assume any liability with respect to the Exchange Property, or (c) make any warranty in regard to the Exchange Property.
- (iii) In the event of an exchange as provided in (i) above (“**Exchange**”), Buyer shall incur no additional costs, expenses or liabilities in this transaction as a result of or connected with the Exchange, and provided further that Buyer shall not be required to provide any representations, covenants, or warranties to any third parties, including the qualified intermediary or the Internal Revenue Service in connection with the Exchange. Seller agrees to indemnify, defend and hold Buyer harmless from any liability, damages or costs, including reasonable attorney’s fees that may arise from Seller’s (or the qualified intermediary’s) or Buyer’s activities in connection with the Exchange, and, notwithstanding anything to the contrary in this Agreement, this subsection (iii) shall survive the termination of this Agreement. In no event shall Seller’s election to engage in an Exchange affect or otherwise result in a delay of the Closing of Escrow or of the Closing Date as set forth in this Agreement nor shall any such Exchange relieve a Party of any of its duties or obligations under this Agreement
- (iv) If an Exchange is not concluded, and Buyer is not in default, Seller will sell and Buyer will purchase the Real Property on the Closing Date in accordance with all provisions of this Agreement.

8.09 Governing Law. This Agreement, including all exhibits hereto, and the rights and obligations of the Parties hereto, shall be governed in all respects, including validity, interpretation, and effect, by the laws of the state of California. For purposes of venue, the performance of this Agreement shall be deemed to be in Fresno County, California. In the event of any litigation between the Parties

arising out of or related to this Agreement, venue for such litigation shall only be Fresno County, California.

- 8.10 Headings. The subject headings of the paragraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions herein.
- 8.11 Counterparts. This Agreement may be executed by the Parties in different counterparts, all of which together shall constitute one agreement, even though all Parties may not have signed the same document.
- 8.12 Time. Time is of the essence of this Agreement.
- 8.13 No Third-Party Beneficiaries. Notwithstanding anything stated to the contrary herein, there shall not be any intended third-party beneficiaries of this Agreement whatsoever.
- 8.14 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way, unless it would be unreasonable to do so in light of the object of this Agreement as a whole.

**[Signature Page Immediately Follows]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

FANCHER CREEK PROPERTIES, LLC, a  
California limited liability company

COUNTY OF FRESNO, a political subdivision  
of the State of California

By: Kashian Enterprises, A Limited  
Partnership  
Its: Member

By: Sal Quintero  
Sal Quintero, Chairperson  
of the Board of Supervisors of the  
County of Fresno

By: Lance-Kashian & Company, a  
California corporation  
Its: General Partner

ATTEST:  
Bernice E. Seidel  
Clerk of the Board of Supervisors  
County of Fresno, State of California

9/14/18 Edward M. Kashian  
By: Edward M. Kashian  
Edward M. Kashian  
Its: Chief Executive Officer

By: Susan Bishop

By: Africal Development, L.P., a California  
limited partnership  
Its: Member

By: Thomas G. Richards, as Trustee  
Thomas G. Richards, as Trustee of  
the Thomas G. Richards Living Trust  
dated September 7, 2005  
Its: General Partner

## **EXHIBIT A**

Parcels AO, AP and AQ of Parcel Map No. 2004-36, in the City of Fresno, County of Fresno, State of California, according to the Map thereof, recorded in Book 69, Pages 25 through 32 of Parcel Maps, Fresno County Records.

Excepting an undivided  $\frac{1}{4}$  interest in and to all oil, gas and other hydrocarbons and minerals within or underlying said land, as reserved by A. J. Pretzer et ux in Deed recorded January 4, 1944 in Book 2134 Page 194 of Official Records.

APN: 310-133-04, 05 and 06

**EXHIBIT A-1**

Parcel Map No. 2004-36



## **EXHIBIT B**

### **Design Agreements and Soft Costs**

	<b><u>Paid</u></b>
<b>Architect:</b>	
Architect - Site planning (Beck T&M)	\$27,893.75
Architect - Schematic Phase (Beck)	\$57,500.00
Architect - Design Development (Beck)	\$60,000.00
Architect - Construction Drwgs (Beck)	\$150,000.00
Architect - Permit/Plan Check (Beck)	\$ -
Architect - Contract Admin (Beck)	\$ -
Architect - Reimb (Beck)	\$5,157.75
Fresno Reprographics (Printing Reimbursables)	\$457.44
	<u>\$301,008.94</u>
<b>Consultants:</b>	
Mechanical Engineer (Carlson)	\$18,500.00
Electrical Engineer (Hardin)	\$13,300.00
Utility Consultant (Gary Ganci)	\$10,500.00
Civil Engineer (Gary Giannetta)	\$5,600.00
Construction Consultant (Target Constructors)	\$50,000.00
	<u>\$97,900.00</u>
<b>Governmental Fees:</b>	
PG&E	\$5,000.00
	<u>\$5,000.00</u>
<b>Other Soft Costs:</b>	
Moss Adams (Accounting T&M)	\$375.00
Legal Fees	\$18,687.00
United Security Bank (LOC Interest)	\$11,296.56
	<u>\$30,358.56</u>
<b>Summary Total:</b>	<u>\$434,267.50</u>

**EXHIBIT C**



**EXHIBIT A**

The land referred to is situated in the County of Fresno, City of Fresno, State of California, and is described as follows:

Parcels AO, AP and AQ of Parcel Map No. 2004-36, in the City of Fresno, County of Fresno, State of California, according to the Map thereof, recorded in [Book 69, Pages 25 through 32 of Parcel Maps](#), Fresno County Records.

Excepting an undivided  $\frac{1}{4}$  interest in and to all oil, gas and other hydrocarbons and minerals within or underlying said land, as reserved by A. J. Pretzer et ux in Deed recorded January 4, 1944 in Book 2134 Page 194 of Official Records.

APN: 310-133-04, 05 and 06



7451 North Remington Ave. #102  
Fresno, CA 93711  
(559) 440-9249 Fax: (559) 447-1643

## PRELIMINARY REPORT

Our Order Number 1411013083-DB

FANCHER CREEK PROPERTIES  
265 E River Park Circle #150  
Fresno, CA 93720

Attention: Danny Kunioshi

When Replying Please Contact:

Donna Brown  
(559) 440-9249

Property Address:

Fresno, CA 93727

In response to the above referenced application for a policy of title insurance, OLD REPUBLIC TITLE COMPANY, as issuing Agent of Old Republic National Title Insurance Company, hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said policy forms.

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

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

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

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

Dated as of August 6, 2018, at 8:00 AM

**OLD REPUBLIC TITLE COMPANY**

For Exceptions Shown or Referred to, See Attached

Page 1 of 7 Pages

OLD REPUBLIC TITLE COMPANY  
**ORDER NO. 1411013083-DB**

The form of policy of title insurance contemplated by this report is:

CLTA Standard Coverage Policy -1990. A specific request should be made if another form or additional coverage is desired.

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

Fee

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

Fancher Creek Properties, LLC, a California limited liability company

The land referred to in this Report is situated in the County of Fresno, City of Fresno, State of California, and is described as follows:

Parcels AO, AP and AQ of Parcel Map No. 2004-36, in the City of Fresno, County of Fresno, State of California, according to the Map thereof, recorded in [Book 69, Pages 25 through 32 of Parcel Maps](#), Fresno County Records.

Excepting an undivided ¼ interest in and to all oil, gas and other hydrocarbons and minerals within or underlying said land, as reserved by A. J. Pretzer et ux in Deed recorded January 4, 1944 in Book 2134 Page 194 of Official Records.

APN: 310-133-04, 05 and 06

At the date hereof exceptions to coverage in addition to the Exceptions and Exclusions in said policy form would be as follows:

1. Taxes and assessments, general and special, for the fiscal year 2018 - 2019, a lien, but not yet due or payable.

2. Taxes and assessments, general and special, for the fiscal year 2017 - 2018, as follows:

Assessor's Parcel No	:	310-133-04	
Code No.	:	005-313	
1st Installment	:	\$3,155.70	Marked Paid
2nd Installment	:	\$3,155.70	Marked Paid
Land Value	:	\$161,200.00	



OLD REPUBLIC TITLE COMPANY  
**ORDER NO. 1411013083-DB**

3. Taxes and assessments, general and special, for the fiscal year 2017 - 2018, as follows:

Assessor's Parcel No	:	310-133-05	
Code No.	:	005-313	
1st Installment	:	\$1,583.07	Marked Paid
2nd Installment	:	\$1,583.07	Marked Paid
Land Value	:	\$90,836.00	

4. Taxes and assessments, general and special, for the fiscal year 2017 - 2018, as follows:

Assessor's Parcel No	:	310-133-06	
Code No.	:	005-313	
1st Installment	:	\$1,691.02	Marked Paid
2nd Installment	:	\$1,691.02	Marked Paid
Land Value	:	\$94,172.00	

5. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Section 75, et seq., of the Revenue and Taxation Code of the State of California.

6. Any special tax which is now a lien and that may be levied within the Community Facilities District No. 2012-1, a notice of which was recorded as follows:

Instrument Entitled	:	Notice of Special Tax Lien
Recorded	:	<a href="#">November 1, 2012 in Official Records under Recorder's Serial Number 2012-158559</a>

NOTE: Among other things, there are provisions in said Notice for a special tax to be levied annually, the amounts of which are to be added to and collected with the property taxes.

7. Said land lies within the Fresno Metropolitan Flood Control District and is subject to Drainage Fees and/or Requirements to Construct Planned Local Drainage Facilities, as disclosed by instrument:

Entitled	:	Resolution No. 1816 – The Board of Directors of the Fresno Metropolitan Flood Control District
By	:	The Board of Directors of the Fresno Metropolitan Flood Control District
Recorded	:	July 31, 1995 as Series Number 95092128
Returned to Address	:	5469 E. Olive Avenue, Fresno, CA 92727

8. Assessment No. 6805 for Fresno Metropolitan Flood Control District payable with the real property taxes.

OLD REPUBLIC TITLE COMPANY  
**ORDER NO. 1411013083-DB**

9. Terms and provisions as contained in an instrument,
- Entitled : Right to Farm Statement  
Executed By : Fancher Creek Properties, LLC, a California limited liability company, and the City of Fresno  
Recorded : [January 16, 2006 in Official Records under Recorder's Serial Number 2006-220460](#)
10. Terms and provisions as contained in an instrument,
- Entitled : Early Construction Agreement with Subordination for Sewer, Water and Storm Drain Improvements for Parcel Map No. 2004-36  
Recorded : [February 6, 2008 in Official Records under Recorder's Serial Number 2008-18441](#)
11. Terms and provisions as contained in an instrument,
- Entitled : Early Street Construction Agreement and Subordination for Parcel Map 2004-36  
Recorded : [April 4, 2008 in Official Records under Recorder's Serial Number 2008-49038](#)
12. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as shown on the map filed on October 23, 2008 in Book 69 of Parcel Maps, at Pages 25 through 32
- For : Public Utilities  
Affects : As shown on Map
- For : Pedestrian  
Affects : As shown on Map
13. Terms and provisions as contained in an instrument,
- Entitled : Subdivision Agreement Parcel Map No. 2004-36  
Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number 2008-0150047](#)

OLD REPUBLIC TITLE COMPANY  
**ORDER NO. 1411013083-DB**

14. Terms and provisions as contained in an instrument,
- Entitled : Statement of Covenants Affecting Land Development Deferring Certain Sewer Connection Charges, Water Connection Charges, Urban Growth Management Fees and Development Fees to the time of Issuance of Certificate of Occupancy and Creation of Lien for Parcel Map No. 2004-36
- Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number 2008-0150048](#)
15. Terms and provisions as contained in an instrument,
- Entitled : Statement of Covenants Affecting Land Development Requiring Fire Protection Measures to be Provided and Maintained for Certain Parcels within Parcel Map No. 2004-36
- Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number 2008-0150049](#)
16. Terms and provisions as contained in an instrument,
- Entitled : Deed of Avigation and Hazard Easement Fresno-Yosemite International Airport for Parcel Map No. 2004-36
- Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number 2008-0150050](#)
17. Terms and provisions as contained in an instrument,
- Entitled : Statement of Covenants Affecting Land Development Acknowledging Fresno-Yosemite International Airport Operations for Parcel Map No. 2004-36
- Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number 2008-0150051](#)



OLD REPUBLIC TITLE COMPANY  
**ORDER NO. 1411013083-DB**

18. Terms and provisions as contained in an instrument,

Entitled : Statement of Covenants Affecting Land Development for Off-Site  
Street Construction for Parcel Map No. 2004-36  
Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number  
2008-0150052](#)

19. Covenants, Conditions and Restrictions which do not contain express provision for forfeiture or reversion of title in the event of violation, but omitting any covenants or restriction if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons, as provided in an instrument.

Recorded : [October 23, 2008 in Official Records under Recorder's Serial Number  
2008-0150056](#)

Said Covenants, Conditions and Restrictions provide that a violation thereof shall not defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value.

NOTE: "If this document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

20. Liens and charges for upkeep and maintenance as provided in the above mentioned Covenants, Conditions and Restrictions, if any, where no notice thereof appears on record.

For information regarding the current status of said liens and/ or assessments  
Contact : Fancher Creek Business Park Owners' Association, a California  
non-profit mutual benefit corporation

OLD REPUBLIC TITLE COMPANY  
**ORDER NO. 1411013083-DB**

21. Terms and provisions as contained in an instrument,

Entitled : Statement of Covenants Affecting Land Development for Deferment  
of Water Well Construction to Time of 55% of Development for  
Parcel Map No. 2004-36  
Executed By : Fancher Creek Properties, LLC, a California limited liability company  
Recorded : [January 22, 2015 in Official Records under Recorder's Serial Number  
2015-0006838](#)

----- **Informational Notes** -----

A. The applicable rate(s) for the policy(s) being offered by this report or commitment appears to be section(s) 2.3.

B. Effective May 1<sup>st</sup>, 2014, recording service fees for the types of transactions listed below are as follows:

Finance transactions - \$105.00 to record all documents necessary to close and issue the required title insurance policy(ies).

Sale transactions - \$130.00 to record all documents necessary to close and issue the required title insurance policy(ies).

Commercial transactions - \$20.00 recording service fee plus all actual charges required by the County Recorder.

All Cash transactions - \$20.00 recording service fee plus all actual charges required by the County Recorder to record all cash, non-commercial, sale transactions wherein no new deed of trust is recorded.

CS/dmu



**CALIFORNIA LAND TITLE ASSOCIATION  
STANDARD COVERAGE POLICY - 1990  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.-  
  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments Which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.  
  
Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests, or claims Which are not shown by the public records but which could be ascertained by an inspection of the land which may be asserted by persons in possession thereof,
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.



## FACTS

WHAT DOES OLD REPUBLIC TITLE  
DO WITH YOUR PERSONAL INFORMATION?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"><li>• Social Security number and employment information</li><li>• Mortgage rates and payments and account balances</li><li>• Checking account information and wire transfer instructions</li></ul> <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Old Republic Title chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Old Republic Title share?	Can you limit this sharing?
For our everyday business purposes — such as to process your transactions, maintain your account(s), or respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes — to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

## Questions

Go to [www.oldrepublictitle.com](http://www.oldrepublictitle.com) (Contact Us)



## Who we are

Who is providing this notice?	Companies with an Old Republic Title name and other affiliates. Please see below for a list of affiliates.
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## What we do

How does Old Republic Title protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. For more information, visit <a href="http://www.OldRepublicTitle.com/newnational/Contact/privacy">http://www.OldRepublicTitle.com/newnational/Contact/privacy</a> .
How does Old Republic Title collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• Give us your contact information or show your driver's license</li> <li>• Show your government-issued ID or provide your mortgage information</li> <li>• Make a wire transfer</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• Sharing for affiliates' everyday business purposes - information about your creditworthiness</li> <li>• Affiliates from using your information to market to you</li> <li>• Sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See the "Other important information" section below for your rights under state law.</p>

## Definitions

<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>• <i>Our affiliates include companies with an Old Republic Title name, and financial companies such as Attorneys' Title Fund Services, LLC, Lex Terrae National Title Services, Inc., Mississippi Valley Title Services Company, and The Title Company of North Carolina.</i></li> </ul>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• <i>Old Republic Title does not share with non-affiliates so they can market to you</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Old Republic Title doesn't jointly market.</i></li> </ul>

### Other Important Information

Oregon residents only: We are providing you this notice under state law. We may share your personal information (described on page one) obtained from you or others with non-affiliate service providers with whom we contract, such as notaries and delivery services, in order to process your transactions. You may see what personal information we have collected about you in connection with your transaction (other than personal information related to a claim or legal proceeding). To see your information, please click on "Contact Us" at [www.oldrepublictitle.com](http://www.oldrepublictitle.com) and submit your written request to the Legal Department. You may see and copy the information at our office or ask us to mail you a copy for a reasonable fee. If you think any information is wrong, you may submit a written request online to correct or delete it. We will let you know what actions we take. If you do not agree with our actions, you may send us a statement.

### Affiliates Who May be Delivering This Notice

American First Abstract, LLC	American First Title & Trust Company	American Guaranty Title Insurance Company	Attorneys' Title Fund Services, LLC	Compass Abstract, Inc.
eRecording Partners Network, LLC	Genesis Abstract, LLC	Kansas City Management Group, LLC	L.T. Service Corp.	Lenders Inspection Company
Lex Terrae National Title Services, Inc.	Lex Terrae, Ltd.	Mara Escrow Company	Mississippi Valley Title Services Company	National Title Agent's Services Company
Old Republic Branch Information Services, Inc.	Old Republic Diversified Services, Inc.	Old Republic Exchange Company	Old Republic National Title Insurance Company	Old Republic Title and Escrow of Hawaii, Ltd.
Old Republic Title Co.	Old Republic Title Company of Conroe	Old Republic Title Company of Indiana	Old Republic Title Company of Nevada	Old Republic Title Company of Oklahoma
Old Republic Title Company of Oregon	Old Republic Title Company of St. Louis	Old Republic Title Company of Tennessee	Old Republic Title Information Concepts	Old Republic Title Insurance Agency, Inc.
Old Republic Title, Ltd.	Republic Abstract & Settlement, LLC	Sentry Abstract Company	The Title Company of North Carolina	Title Services, LLC
Trident Land Transfer Company, LLC				

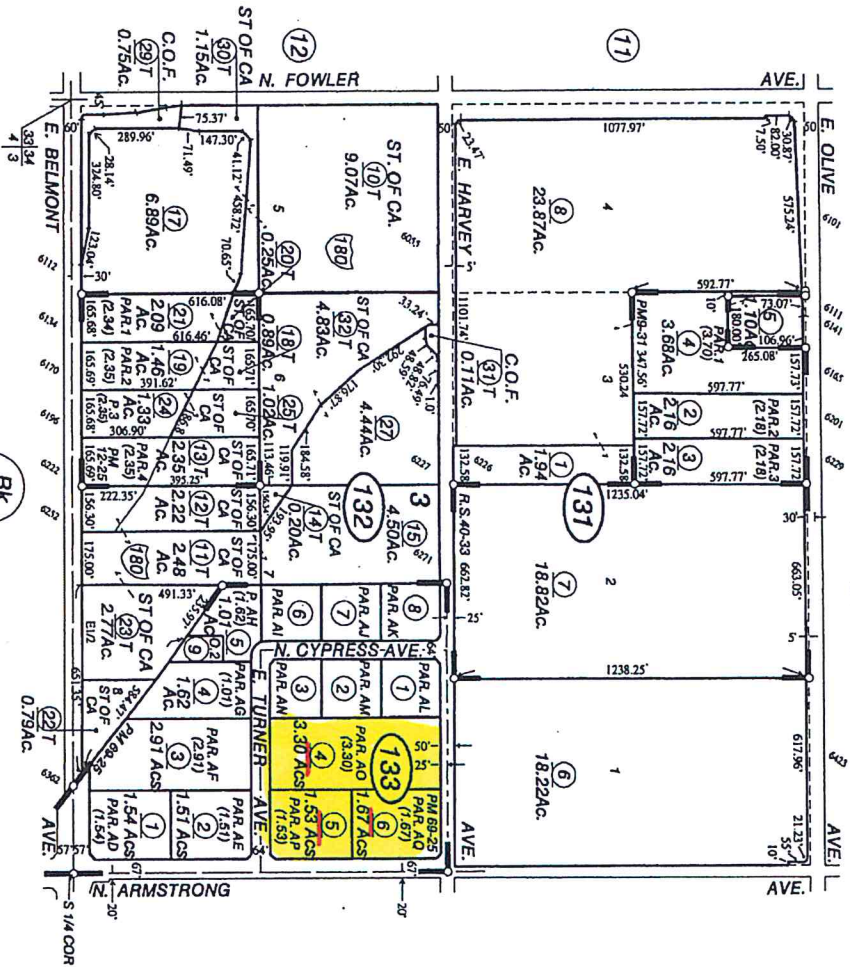
NOTE ---  
This map is for Assessment purposes only.  
It is not to be construed as portraying  
legal ownership or divisions of land for  
purposes of zoning or subdivision law.

# SUBDIVIDED LAND IN POR. SEC. 34, T.13S., R.21E., M.D.B.&M.

Tax Rate Area  
5-313  
76-052

310-13

1"=400'



NOTE - C.O.F. is County Of Fresno.

Agricultural Preserve  
Parcel Map No. 1573-Bk. 9, Pg. 31  
Parcel Map No. 2000-Bk. 12, Pg. 25  
Parcel Map No. 2004-36 - Bk. 69, Pg. 25 - 32  
Record of Survey-Bk. 40, Pg. 33  
Temperance Colony-Plat Bk. 2, Pg. 7

05-22-2012 SH

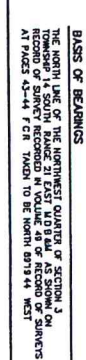
NOTE - Assessor's Block Numbers Shown in Ellipses.  
Assessor's Parcel Numbers Shown in Circles.

Assessor's Map Bk.310 - Pg. 13  
County of Fresno, Calif.



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SHEET 8 OF 8



SCALE 1 = 80

SCALE 1 = 80

PREPARED BY  
YAMABE & HORN ENGINEERING INC.  
1300 EAST SHAW AVENUE SUITE 176  
FRESNO CA 93710  
PH 558 244-5123 FAX 558-244-5120

01 09 08 03 282\03282999 DMC

**EXHIBIT D**

**EXHIBIT D**

**Grant Deed**

**RECORDING REQUESTED BY:**  
STEWART TITLE

**MAIL TAX STATEMENT AND WHEN  
RECORDED MAIL DOCUMENT TO:**

The County of Fresno  
Internal Services Department  
333 Pontiac Way  
Clovis, CA 93612

**Grant Deed**

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$0 EXEMPT pursuant to R&T Code 11922; CITY TRANSFER TAX \$0; SURVEY MONUMENT FEE \$0

- [ ☒ ] computed on the consideration of full value of property conveyed, OR  
[ ☐ ] computed on the consideration of full value less value of liens and/or encumbrances remaining at time of sale,  
[ ☐ ] unincorporated area; [ ☒ ] City of **Fresno**, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**Fancher Creek Properties, LLC**, a California limited liability company hereby GRANTS to **County of Fresno**, a political subdivision of the State of California the following described property in the city of **Fresno**, County of **Fresno**, State of **California**:

PARCEL(s) APN(s): 310-132-04, APN 310-132-05, APN 310-132-06

Parcels AO, AP and AQ of Parcel Map No. 2004-36, in the City of Fresno, County of Fresno, State of California, according to the Map thereof, recorded in Book 69, Pages 25 through 32 of Parcel Maps, Fresno County Records.

Excepting an undivided ¼ interest in and to all oil, gas and other hydrocarbons and minerals within or underlying said land, as reserved by A. J. Pretzer et ux in Deed recorded January 4, 1944 in Book 2134 Page 194 of Official Records.

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GRANTOR:

FANCHER CREEK PROPERTIES, LLC,  
a California limited liability company

By: Kashian Enterprises, A Limited Partnership  
Its: Member

By: \_\_\_\_\_  
Lance-Kashian & Company,  
a California corporation  
Its: General Partner

By: \_\_\_\_\_  
Edward M. Kashian  
Its: Chief Executive Officer

By: Africal Development, L.P.,  
A California Limited Partnership  
Its: Member

By: \_\_\_\_\_  
Thomas G. Richards, as Trustee of the  
Thomas G. Richards Living Trust  
dated September 7, 2005  
Its: General Partner

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Real Property:

APN: 310-132-04

APN: 310-132-05

APN: 310-132-06

CERTIFICATE OF ACCEPTANCE OF GRANT  
OF INTEREST IN REAL PROPERTY

THIS IS TO CERTIFY that the interest in real property conveyed by **Fancher Creek Properties, LLC**, a California limited liability company, to the **COUNTY OF FRESNO**, a political subdivision of the State of California, is hereby accepted by order of the Board of Supervisors of the County of Fresno and the grantee consents to the recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

\_\_\_\_\_  
County of Fresno  
Internal Services Department  
Robert W. Bash, Director of Internal Services/  
Chief Information Officer

***[NOTE A: Acknowledgement by Notary Public to be added by Escrow Holder]***

***[NOTE B: Form of Grant Deed subject to review by Escrow Holder]***