

Escrow Company: Chicago Title  
Escrow No. \_\_\_\_\_  
Title Order No. \_\_\_\_\_

**REAL PROPERTY PURCHASE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS**

THIS REAL PROPERTY PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (“Agreement”) is entered into by and between the CITY OF CHULA VISTA, a chartered municipal corporation (“Seller”), and GARDENLIFE-SALVA, LLC (“Buyer”) [Seller and Buyer may be referred to in this Agreement individually as a “Party” and collectively as the “Parties”] to be effective as of the date of execution by Seller (“Effective Date”), with reference to the following facts:

WHEREAS, Buyer desires to purchase fee title in and to Seller’s real property located at on the northwest corner of Eastlake Parkway and SR-125, and currently identified as San Diego County Assessors Parcel No. 595-070-74 and 595-070-749 more particularly described in the legal description contained in Exhibit “A” (“Property”), which is attached to and incorporated into this Agreement by this reference; and,

WHEREAS, Buyer has offered Seller the sum of **\$156,173.00** (“Purchase Price”) for the purchase of the Property; and,

WHEREAS, Seller has agreed to accept said Purchase Price subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE, the Parties agree as follows:

1. **AGREEMENT TO SELL AND PURCHASE PROPERTY**

In strict accordance with the terms and conditions set forth in this Agreement, Buyer agrees to purchase from Seller and Seller agrees to sell to Buyer fee title in and to the Property.

2. **PURCHASE PRICE**

The total Purchase Price of the Property shall be the sum of ONE HUNDRED FIFTY SIX THOUSAND ONE HUNDRED SEVENTY THREE DOLLARS (**\$156,173.00**) which will be paid by

Buyer to Seller at the close of Escrow as provided in this Agreement. The Purchase Price is set forth as follows:

|                                      |                     |
|--------------------------------------|---------------------|
| Land                                 | \$ 75,000.00        |
| Cell site Lease buy-out (four years) | <u>\$ 81,173.00</u> |
| <b>TOTAL</b>                         | <b>\$156,173.00</b> |

Purchase price includes City's ownership and/or rights, if any, to an existing water meter located on the Property.

### 3. CONDITIONS PRECEDENT TO ESCROW CLOSE AND CONVEYANCE OF TITLE

Buyer and Seller acknowledge that a license for cellular facilities between the Seller and T-Mobile ("Carrier") exists on a portion of the Property, with a remaining term of approximately four (4) years. Prior to the close of Escrow and the conveyance of title to the Property the following must occur:

- (1) Buyer must negotiate a new license agreement or lease with the Carrier, with Buyer as the lessor/licensor.
- (2) Carrier and Seller must agree to terminate the existing license agreement at no cost to Seller and with no continuing obligations of Seller under the existing license agreement or otherwise relative to the cellular facilities on the Property.
- (3) Buyer will deposit the sum of \$81,173.00 (per Section 2 above) as compensation to Seller for revenue lost as a result of the termination of the existing license agreement between Seller and Carrier.
- (4) Seller shall confirm, in Seller's sole discretion, resolution of an improper cloud to title created by a deed recorded with the San Diego County Recorder, Document Number 2005-0048691.
- (5) The City Council of Chula Vista approves this Agreement as provided in section 16 of this Agreement.

### 4. ESCROW AND TITLE INSURANCE

Buyer agrees to open an escrow ("Escrow") in accordance with this Agreement with Chicago Title, San Diego, CA ("Escrow Holder") and deposit a fully executed copy of this Agreement by no later than seven (7) days after City Council approval of this Agreement. All usual and reasonable fees, charges, and costs (including transfer taxes, if any) which arise in the Escrow, shall be paid by Seller upon demand of Escrow Holder.

This Agreement constitutes the joint escrow instructions of the Parties, and Escrow Holder to whom these instructions are delivered is empowered to act under this Agreement. The Parties agree to do all acts reasonably necessary to close Escrow as soon as possible, but in all events by no later than ninety (90) days after a fully executed copy of this Agreement, is deposited into Escrow. The terms "closing"

and/or “close of Escrow” as used herein shall mean the date necessary instruments of conveyance are recorded in the office of the County Recorder. Recordation of instruments delivered through Escrow are authorized if necessary or proper in the issuance of title insurance pursuant to this Agreement.

Buyer shall, upon receipt of a statement of estimated closing cost from Escrow Holder, deposit the Purchase Price together with additional funds as set forth in the statement. The deposit shall be made in accordance with the wire transfer instructions of the Escrow Holder and shall be made in sufficient time to allow for the timely close of Escrow. Buyer shall execute and deposit into Escrow a Certificate of Acceptance accepting fee title to the Property in sufficient time to allow for the timely close of Escrow.

Seller shall execute and deliver into Escrow an executed Grant Deed, in substantially the same form as Exhibit B, conveying fee title to the Property to Buyer in sufficient time to allow for the timely close of Escrow. Seller and Buyer agree to deposit with Escrow Holder any additional instruments as may be reasonable and necessary to complete this transaction in a timely manner.

All funds received in Escrow shall be deposited with other Escrow funds in a general escrow account(s) and may be transferred to any other such escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by wire transfer from such account, unless Seller requests another form of payment.

If Buyer requests a policy of title insurance when Escrow Holder holds for Seller the Grant Deed in favor of Buyer, executed and acknowledged by Seller covering the Property, Escrow Holder shall cause to be issued and delivered to Buyer, at Buyer's sole cost, a preliminary title report for Buyer review. Buyer shall have five (5) days to review and approve the preliminary title report. After Buyer approval, Escrow Holder shall cause to be issued, as of the closing date and at Buyer's sole cost, an ALTA or CLTA standard coverage policy of title insurance (“Title Policy”), issued by Commonwealth Land Title, with liability in the amount of the Purchase Price.

Escrow Holder is authorized to and shall pay and charge Buyer for any title insurance premium and the costs of any endorsements. Escrow Holder is authorized to and shall disburse funds and deliver the Grant Deed when Buyer and Seller have fulfilled all conditions of the Escrow and purchase agreement.

#### 5. RESPONSIBILITY OF ESCROW HOLDER

Responsibility of Escrow Holder under this Agreement is expressly limited to Section 4 herein and to its liability under any policy of title insurance issued in regard to this transaction.

#### 6. TITLE AND CONVEYANCE OF INTEREST

Seller shall convey fee simple title to the Property to Buyer by Grant Deed in substantially the same form as that attached to this Agreement as Exhibit B (“Grant Deed”) subject to zoning and building laws and ordinances, and acts done or suffered by Buyer or claims made by, through, or under Buyer. To the actual knowledge of Seller, without further inquiry, as of the effective date there are no unrecorded liens,

leases, or encumbrances against the Property. Fee title shall pass to Buyer upon recordation of said Grant Deed (“Delivery”).

7. DEPOSIT OF FUNDS

Buyer will deposit the Purchase Price of **\$156,173.00** to Escrow for dispersal to Seller at the close of Escrow.

8. CONDITION OF PROPERTY/AS IS.

a. BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES AND SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY NEGATES AND DISCLAIMS ANY OBLIGATIONS OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT, OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH BUYER MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY, (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (H) ANY OTHER MATTER WITH RESPECT TO THE PROPERTY, AND SPECIFICALLY, THAT SELLER HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE, ZONING OR DEVELOPMENT OR REGIONAL IMPACT LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, BUYER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY WAS OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND MAKES NO REPRESENTATIONS AS TO THE ACCURACY

OR COMPLETENESS OF SUCH INFORMATION. SELLER IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS", "WHERE IS" AND, "WITH ALL FAULTS" CONDITION AND BASIS.

Buyer's Initials: \_\_\_\_\_

b. Effective as of the close of Escrow, Buyer shall, and by the execution of the Agreement, hereby does, forever release Seller of and from any and all losses, liabilities, damages, claims, demands, causes of action, costs and expenses, whether known or unknown, to the extent arising out of or in any way connected with the Property after the close of Escrow, including, without limitation, the condition of title to the Property and the environmental and structural condition of the Property. Buyer agrees never to commence, aid in any way, or prosecute against Seller, any action or other proceeding based upon any losses, liabilities, damages, claims, demands, causes of action, costs and expenses, arising out of or in any way connected with the Property after the close of Escrow, including, without limitation, the condition of title to the Property and the environmental and structural condition of the Property. Notwithstanding any provision to the contrary contained herein, nothing in this Section 8 shall be deemed to constitute a waiver of any rights or remedies arising from Seller's intentional fraud or intentional misrepresentation of any material fact with an intent to mislead.

c. Buyer hereby fully and forever releases and discharges Seller from any and all claims, rights, actions, damages, and/or liabilities, of any nature whatsoever, fixed or contingent, existing now or arising in the future, known or unknown, in any way relating to the Property, excluding only claims arising under this Agreement. Buyer acknowledges Buyer may later learn of circumstances bearing upon the rights released in this Agreement. Buyer specifically waives the rights afforded by Section 1542 of the California Civil Code which provides:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her, must have materially affected his or her settlement with the debtor.”

Buyer's Initials: \_\_\_\_\_

## 9. SELLER DEFAULT

IF THE SELLER DEFAULTS UNDER THE TERMS OF THE AGREEMENT, AND IF SELLER FAILS TO CURE SUCH DEFAULT ON OR BEFORE THE DATE WHICH IS THREE (3) BUSINESS DAYS AFTER NOTICE THEREOF FROM BUYER (OR, IF EARLIER, ON THE CLOSING DATE), BUYER MAY, AS ITS SOLE AND EXCLUSIVE REMEDY, EITHER (I) TERMINATE THIS AGREEMENT BY DELIVERY OF NOTICE OF TERMINATION TO SELLER AND ESCROW HOLDER, IN WHICH EVENT THE DEPOSIT SHALL BE RETURNED TO BUYER, AND THIS AGREEMENT, AND THE RIGHTS AND OBLIGATIONS OF BUYER AND SELLER HEREUNDER SHALL TERMINATE OR (II) SPECIFICALLY ENFORCE SELLER'S OBLIGATIONS.

Seller's Initials: \_\_\_\_\_

Buyer's Initials: \_\_\_\_\_

#### 10. INDEMNITY

To the maximum extent provided by law, Buyer releases and agrees to indemnify, protect, defend, and hold harmless Seller and its elected officials, officers, employees, contractors and agents (“Indemnified Parties”) from and against all demands, claims, injury, liability, loss, damage, cost and expense, however the same may be caused, including all costs and reasonable attorney’s fees in providing the defense to any claim arising therefrom, for any loss of, or damage to property (real and/or personal), for personal injury to or death of any person or persons arising out of or occurring by reason of, or any way connected with this Agreement or the purchase, condition, existence, use, or improvement of the Property from and after the date of Delivery. This Indemnity shall survive termination and expiration of this Agreement and shall be binding upon Buyer, and its successors and assigns.

#### 11. INDEMNITY FOR DRAINAGE

To the maximum extent provided by law, Buyer releases and agrees to indemnify, protect, defend, and hold harmless all Indemnified Parties from and against all demands, claims, injury, liability, loss, damage, cost and expense, however the same may be caused, including all costs and reasonable attorney’s fees in providing the defense to any claim arising therefrom, for any loss of, or damage to property (real and/or personal), for personal injury to or death of any person or persons arising out of or occurring by reason of, or any way connected with Buyer’s use or improvement of the Property which in any way affects or impacts the drainage on, from, or across the Property from and after the date of Delivery. This Indemnity shall survive termination and expiration of this Agreement and shall be binding upon Buyer, and its successors and assigns.

#### 12. ENVIRONMENTAL INDEMNITY

To the maximum extent provided by law, Buyer shall indemnify, protect, defend and hold harmless all Indemnified Parties from and against any and all damages, losses, liabilities, obligations, penalties, claims, litigation, demands, defenses, judgments, suits, proceedings, costs, disbursements, or expenses (including, without limitation, attorneys’ and experts’ fees and disbursements) of any kind or of any nature

whatsoever which may at any time be imposed upon, incurred by or asserted or awarded against the Seller, from and after the date of Delivery, as to the Property or any portions of the Property, arising from or out of: the existence, release, presence or disposal on, in, under, about or adjacent of any hazardous materials, hazardous substances, hazardous waste or toxic substances, as defined in all applicable local, state, and federal laws and regulations (collectively, "Hazardous Materials"). This Indemnity shall be binding upon Buyer, and its successors and assigns, and inure to the benefit, together with all rights and remedies of Seller pursuant to this Agreement and any successor to Seller's powers or interests in the Property. This Indemnity shall survive termination and expiration of this Agreement and shall be binding upon Buyer, and its successors and assigns.

### 13. LIMITED LIABILITY

Any obligations or liabilities of Seller arising by virtue of this Agreement shall be limited to the Property and resort shall not be had to any other assets of Seller.

### 14. COMPLIANCE WITH LAWS

Buyer shall be solely responsible for compliance with all laws, governmental regulations, and the direction of competent legal authority related directly or indirectly to Buyer's purchase and intended use of the Property, all at Buyer's sole cost and expense. Buyer shall protect, defend, indemnify, and hold harmless the Indemnified Parties from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to Buyer's officers, employees, invitees, guests, agents, or contractors, which arise out of or are in any manner directly or indirectly connected with Buyer's efforts to comply with such legal requirements.

### 15. REAL ESTATE COMMISSIONS

Seller has not contracted with a Broker in this transaction and seller will not be responsible for any commission arising from this transaction. If any other broker, finder or other person makes a claim for commissions or finder's fee based upon any contract, dealing or communication with a party, then such party shall indemnify, defend and hold the other party harmless from and against all damages, claims, losses and expenses, including attorneys' fees, arising out of the broker's, finder's or other person's claim.

### 16. CITY COUNCIL APPROVAL REQUIRED

Buyer understands and agrees that this Agreement must be reviewed and considered at a hearing before the City Council. Buyer also understands that prior to the execution of this Agreement by Seller, the City Council must approve the vacation of public access rights across the Property pursuant to the California Streets and Highways Code and must determine and declare the Property as exempt surplus land as provided for in California Government Code. The City Council has the discretion to approve or disapprove the vacation, the surplus land finding and/or this Agreement or any sections thereof.

### 17. MISCELLANEOUS

a. Legal Fees. In the event of the bringing of any action or suit by either party against the other party by reason of any breach of any of the covenants, conditions, agreements or provisions on the part of the other party arising out of this Agreement, the party in whose favor final judgment shall be entered shall be entitled to have and recover of and from the other party all costs and expenses of suit, including reasonable attorneys' fees (or, in the event of any action to enforce this Agreement, the prevailing party shall be entitled to recover all of its costs and expenses of the action, including reasonable attorney's fees), as determined by a court of competent jurisdiction.

b. Time is of the Essence. Time is of the essence of each and every term, condition, obligation and provision of this Agreement.

c. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. Facsimile signatures are acceptable provided they are followed by hard copy originals within five days.

d. Severability. If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal, or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts of this Agreement shall remain in full force and effect, as fully as though such invalid, illegal, or unenforceable portion had never been part of this Agreement.

e. Governing Law. This Agreement is executed and delivered in the State of California and shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

IN WITNESS WHEREOF, the duly authorized representative of each party has executed this Agreement effective upon the date first written above.

**SELLER: City of Chula Vista**

**BUYER: GARDENLIFE-SALVA, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Approved as to Form:



Glen Googins, City Attorney

Exhibit A: Legal Description

Exhibit B: Form of Grant Deed