

Bighorn-Desert View Water Agency

Board of Directors

Terry Burkhart, President
Michael McBride, Director
David Larson, Director
Judy Corl-Lorono, Director
Director Vacancy



Agency Office
622 S. Jemez Trail
Yucca Valley, CA 92284-1440

760/364-2315 Phone
760/364-3412 Fax

Marina D West, PG, General Manager
Lyni Tompkins, Board Exec. Secretary

A Public Agency

www.bdvwa.org

BOARD OF DIRECTORS' SPECIAL MEETING AGENDA

BOARD MEETING OFFICE
1720 N. Cherokee Trail, Landers, CA 92285
Friday, July 22, 2011 - 6:00 p.m.

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. APPROVAL OF AGENDA

DISCUSSION AND ACTION ITEMS - The Board of Directors and Staff will discuss the following items, and the Board will consider taking action, if so inclined.

The Public is invited to comment on any item on the agenda during discussion of that item.

You may wish to submit your comments in writing to assure that you are able to express yourself adequately.

When giving your public comment, have your information prepared, if you wish to be identified for the record then please state your name. Due to time constraints, a three-minute time limit may be imposed.

5. BOARD TO CONDUCT CANDIDATE INTERVIEWS FOR FILLING VACANT BOARD SEAT

RECOMMENDED ACTION:

- 1) Direct staff to sequester candidates to conference room pending interview;
- 2) Conduct individual interviews while in a public, open session;
- 3) All responding candidates will be part of the nominating slate; and
 - a. Board then to cast written ballots until it is determined that a majority vote has been tallied; and
 - b. Once a majority by written ballot is tallied, a roll call vote will be recorded; and
 - c. Candidate who receives a majority of three (3) votes will be appointed.
- 4) Subsequently, Candidate will be sworn in, date and time to be announced.
- 5) After the Candidate has been sworn in, they can officially be seated as a Board member at the next Board of Directors' meeting.

6. ACQUISITION OF REAL PROPERTY - PARCEL NO. 454-181-06 - FOR THE JOHNSON VALLEY HYDROGEOLOGIC INVESTIGATION TEST WELL

RECOMMENDED ACTION:

- 1) Board to consider accepting an offer of \$4900.00 plus all closing costs estimated at \$1,592 to acquire real property, parcel #454-181-06, for the Johnson Valley Hydrogeologic Investigation monitoring (test) well; and
- 2) Board to consider ratifying Use of "Office of Real Estate Appraisers", for this property as a Substitute for MAI "Member of Appraisal Institute" appraisal; and
- 3) Authorize General Manager to execute a sale and purchase agreement approved "As to Form" by the Agency's Legal Counsel.

7. PUBLIC PARTICIPATION

Any person may address the Board on any matter within the Agency's jurisdiction on items not appearing on this agenda.

You may wish to submit your comments in writing to assure that you are able to express yourself adequately.

When giving your public comment, please have your information prepared, if you wish to be identified for the record then please state your name. Due to time constraints, a three-minute time limit may be imposed.

8. VERBAL REPORTS - Including Reports on Courses/Conferences/Meetings.

- a. GENERAL MANAGER'S REPORT
- b. DIRECTORS' REPORT
- c. PRESIDENT'S REPORT

9. ADJOURNMENT

In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Bighorn-Desert View Water Agency, 622 S. Jemez Trail, Yucca Valley, CA not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Agency Secretary. Backup material for the Agenda is available at the Agency offices for public review and can be viewed online at the Agency's website: www.bdvwa.org.

As a general rule, agenda reports or other written documentation has been prepared or organized with respect to each item of business listed on the agenda, and can be reviewed at www.bdvwa.org.

Copies of these materials and other discloseable public records, distributed to all or a majority of the members of the Board of Directors in connection with an open session agenda item, are also on file with and available for inspection at the Office of the Agency Secretary, 622 S. Jemez Trail, Yucca Valley, California, during regular business hours, 8:00 A.M. to 4:30 P.M., Monday through Friday. If such writings are distributed to members of the Board of Directors on the day of a Board meeting, the writings will be available at the entrance to the Board of Directors meeting room at the Bighorn-Desert View Water Agency.

Per Government Code Section 54954.2, any person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in the meeting, should contact the Board's Secretary at 760-364-2315 during Agency business hours.

Bighorn-Desert View Water Agency

Board of Directors

Terry Burkhart, President
Michael McBride, Vice President
David Larson, Director
Judy Corl-Lorono, Director
Director Vacancy



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**APPLICATION FOR APPOINTMENT TO THE BOARD OF DIRECTORS
OF THE BIGHORN-DESERT VIEW WATER AGENCY**

(Deadline for consideration is 4:30 p.m., July 14, 2011)

Name: DMANE D LISIEWSKI Contact Phone Number: 760-364-1972
Home Address: 1471 Cherokee TR YUCCA VALLEY CA 92284
Registered Voter Residing Within Agency Boundaries: ☒ Yes ☐ No

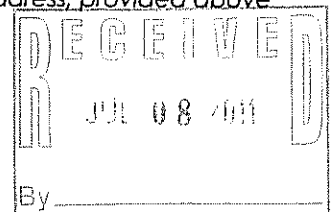
Please state your reasons for wanting to become a Director of the Agency:

I AM A PAST B.D.V.W.A. DIRECTOR FROM
2007 TO 2009

List any community activities:

Signature: [Signature] Date: 8 July 2011

Please return completed application to the Executive Secretary at the Agency address, provided above.



Bighorn-Desert View Water Agency

Board of Directors

Terry Burkhardt, President
Michael McBride, Vice President
David Larson, Director
Judy Corl-Lorono, Director
Director Vacancy



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**APPLICATION FOR APPOINTMENT TO THE BOARD OF DIRECTORS
OF THE BIGHORN-DESERT VIEW WATER AGENCY**

(Deadline for consideration is 4:30 p.m., July 14, 2011)

Name: Nell Casey Garcia Contact Phone Number: 760-808-9028

Home Address: 139 Fortuna Ave., YV, Ca.

Registered Voter Residing Within Agency Boundaries: ☒ Yes ☐ No

Please state your reasons for wanting to become a Director of the Agency: Availability, and quality of water is of the utmost importance in our desert. Having attended several board meetings I would like to be involved in helping to ensure that the best efforts are being made for the people who depend on the water in this district. It's important that different opinions be heard and fairly evaluated. I have a lot to learn and am eager to do so. I bring a strong work ethic, commitment, honesty, responsibility and a lifetime of administrative experience.

List any community activities:

Volunteered at Hancock College - data entry, ticket sales, in Santa Maria
Was secretary of Home Owners Assn. for 3 years in Santa Maria
My husband and I have a young at heart ministry at our church.

Signature: Nell Casey Garcia Date: July 11, 2011

Please return completed application to the Executive Secretary at the Agency address, provided above



RECEIVED
JUL 11 2011

BY:.....

**BIGHORN DESERT VIEW WATER AGENCY
AGENDA ITEM SUBMITTAL**

Meeting Date: July 26, 2011

To: Board of Directors

Budgeted: No

Budgeted Amount: \$0

Cost: Est. \$6,500

From: Marina D. West

Funding Source: Budget line: N/A

General Counsel Approval: Obtained

CEQA Compliance: June 2010 Notice of Determination/Mitigated Negative Declaration for Johnson Valley Hydrogeologic Investigation. Test Well will require Categorical Exemption CEQA filing once property purchase is approved.

Subject: Accept an Offer of \$4900 Plus All Closing Costs Estimated at \$1,592 to Acquire Real Property Identified as Assessors Parcel Number (APN) 454-181-06 for the Johnson Valley Hydrogeologic Investigation Test Well, Ratify Use of "Office of Real Estate Appraisers" as Substitute for "Member of Appraisal Institute" for the Property Appraisal and Authorize General Manager to Execute a Sale and Purchase Agreement Approved As To Form by the Agency's Legal Counsel

SUMMARY

The existing EPA State Tribal Assistance Grant approved Work Plan Task 10 calls for completion of the *Johnson Valley Hydrogeologic Investigation*. The Work Plan dates back to 2006 and since that time Todd Engineers has advised that geophysical resistivity surveys would not provide any additional benefit to the investigation. In addition, time and budget constraints prohibit the execution of all described Task components. At this time all that is recommended is the construction of one monitoring well.

RECOMMENDATION

That the Board take the following action:

- 1) Board to consider accepting an offer of \$4900.00 plus all closing costs estimated at \$1,592 to acquire real property, parcel #454-181-06, for the Johnson Valley Hydrogeologic Investigation monitoring (test) well; and
- 2) Board to consider ratifying Use of "Office of Real Estate Appraisers", for this property as a Substitute for MAI "Member of Appraisal Institute" appraisal; and
- 3) Authorize the General Manager to execute a sale and purchase agreement approved "As To Form" by the Agency's legal counsel.

BACKGROUND/ANALYSIS

The existing EPA State Tribal Assistance Grant approved Work Plan Task 10 calls for completion of the *Johnson Valley Hydrogeologic Investigation*. The Work Plan dates back to 2006 and states the following:

"Regarding the Johnson Valley Groundwater Basin Hydrologic Investigation, a Conceptual Model and Assessment of Water Supply for the Johnson Valley Area completed in 2007 suggests there are 900 acre feet of unused water in that groundwater basin. Previous studies indicate that there is adequate ground water storage and available groundwater storage capacity for another conjunctive use project. Before planning a groundwater storage project additional studies are needed to better define the characteristics of the basin for the benefit of the region. It will be necessary to conduct geophysical resistivity surveys across the area in order to understand the subsurface geometry, and to install monitoring wells as needed. It also includes ground borings and sampling and analysis activities".

More recently and while bringing this project back to the Board to affirm their interest in completing this Task, Todd Engineers has advised that geophysical resistivity surveys would not provide any additional benefit to the investigation. In addition, time (Grant expires November 30, 2011) and budget constraints (Grant balance will not fund the recommended tasks) prohibit the execution of all the then desired and described Task components. At this time all that is recommended is the construction of one monitoring well.

On April 26, 2011, the Board authorized the purchase of real property for locating and constructing the monitoring well. Staff identified six vacant properties that would be satisfactory for locating the monitoring well. The six properties were ranked in order of "best overall location". All six property owners were contacted and three property owners responded. Of the three, staff selected the property with the highest overall ranking and began negotiations with the owners' representative.

A property appraisal is necessary to justify to the Board that the purchase price of the property is reasonable. Legal counsel had recommended an appraiser possessing certification as "MAI" (Member of Appraisal Institute). Upon inquiry it was discovered that MAI appraisers charge between \$3,000 and \$6,000 per parcel and the timeframe for completion can be months. Staff questioned the need for such an appraiser since the parcel would probably appraise for approximately \$5,000. Legal counsel concurred and requested that the appraiser be licensed as such with no special designation. The appraisal was completed for \$450 and indicated an appraised value of \$5,000 (see attached). As an administrative matter, staff is asking the Board to ratify the ratifying use of "Office of Real Estate Appraisers", for this property as a Substitute for MAI "Member of Appraisal Institute" appraisal as previously directed.

Staff has accepted, conditioned on the approval of the full Board, an offer of \$4,900 for the property plus all closing costs estimated at \$1,592 (see attached). Staff recommends the Board accept the offer to acquire real property, parcel #454-181-06, for the Johnson Valley Hydrogeologic Investigation monitoring (test) well.

PRIOR RELEVANT BOARD ACTION(S)

4/26/2011 Motion 11-019: Authorize the General Manager to begin process of acquiring real property for the Johnson Valley Hydrogeologic Investigation, authorize the General Manager to execute a MAI (Member of the Appraisal Institute) appraisal, and authorize the General Manager to make an offer, including negotiate price and terms, subject to Board approval.

10/25/2010 Motion 10-070: Approved staff recommendation to proceed with EPA State and Tribal Assistance Grant (STAG) project: Johnson Valley Hydrogeologic Investigation.

6/29/2010 Resolution No. 10R-04 Adopt California Environmental Quality Act (CEQA) Mitigated Negative Declaration (MND) for the Water Infrastructure Restoration Program: Ames/Reche Groundwater Storage and Recovery Program and Pipeline Installation/Replacement Program CEQA MND.

3/23/2010 Motion 10-016: Approved estimated costs of \$1,700 for "Johnson Valley Area" Questionnaire regarding property owner interest in pressurized water system.

9/18/2007 Board Workshop to discuss the results of the Basin Conceptual Model and Assessment of Water Supply and Demand for the Ames Valley, Johnson Valley, and Means Valley Groundwater Basins by Kennedy/Jenks/Todd, LLC.

4/24/2007 Motion to accept the Basin Conceptual Model and Assessment of Water Supply and Demand for the Ames Valley, Johnson Valley, and Means Valley Groundwater Basins by Kennedy/Jenks/Todd, LLC.

4/24/2007 Motion to accept Water Master Plan Report by Don Howard Engineering.

12/20/2006 06R-18 Resolution of the Board of Directors of the Bighorn-Desert View Water Agency declaring its intention to draft a Groundwater Management Plan for the Ames/Mean/Johnson Valley Groundwater Basins.

3/28/2006 06R-04 Resolution authorizing General Manager to enter Grant Agreement of \$477,000 (EPA STAG).



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COUNTER OFFER No. 1

For use by Seller or Buyer. May be used for Multiple Counter Offer.
(C.A.R. Form CO, Revised 11/10)

Date July 11, 2011

This is a counter offer to the: ☐ California Residential Purchase Agreement, ☐ Counter Offer, or ☒ Other ("Offer"),
dated _____, on property known as E1/2 SE1/4 NE1/4 NW1/4 SEC 15 TP3N R ("Property"),
between Big Horn Water District, ("Buyer") and
Marilyn C. Wakefield, ("Seller").

1. **TERMS:** The terms and conditions of the above referenced document are accepted subject to the following:
- A. Paragraphs in the Offer that require initials by all parties, but are not initiated by all parties, are excluded from the final agreement unless specifically referenced for inclusion in paragraph 1C of this or another Counter Offer.
 - B. Unless otherwise agreed in writing, down payment and loan amount(s) will be adjusted in the same proportion as in the original Offer.
 - C. A. Sales price to be \$4900
B. All other terms including closing to remain the same

D. The following attached addenda are incorporated into this Counter Offer: ☐ Addendum No. _____

2. **RIGHT TO ACCEPT OTHER OFFERS:** If this is a Seller Counter Offer, (i) Seller has the right to continue to offer the Property for sale or for another transaction, and to accept any other offer at any time prior to Acceptance, as described in paragraph 3 and (ii) Seller's acceptance of another offer prior to Buyer's Acceptance of this Counter Offer, shall revoke this Counter Offer.

3. **EXPIRATION:** This Counter Offer shall be deemed revoked and the deposits, if any, shall be returned unless this Counter Offer is signed by the Buyer or Seller to whom it is sent and a Copy of the signed Counter Offer is personally received by the person making this Counter Offer or by _____, who is authorized to receive it, by 5:00 PM on the third Day After the later date specified in paragraph 5 or, (if checked) by ☐ _____ (date), at _____ AM ☐ PM. This Counter Offer may be executed in counterparts.

4. ☐ (If checked:) **MULTIPLE COUNTER OFFER:** Seller is making a Counter Offer(s) to another prospective buyer(s) on terms that may or may not be the same as in this Counter Offer. Acceptance of this Counter Offer by Buyer shall not be binding unless and until it is subsequently re-Signed by Seller in paragraph 7 below and a Copy of the Counter Offer Signed in paragraph 7 is personally received by Buyer or by _____, who is authorized to receive it, by 5:00 PM on the third Day After the later date specified in paragraph 5 or, (if checked) by ☐ _____ (date), at _____ AM ☐ PM. Prior to the completion of all of these events, Buyer and Seller shall have no duties or obligations for the purchase or sale of the Property. **NOTE TO SELLER: Sign and date in paragraph 5 to make this Counter Offer.**

5. **OFFER:** ☐ BUYER OR ☒ SELLER MAKES THIS COUNTER OFFER ON THE TERMS ABOVE AND ACKNOWLEDGES RECEIPT OF A COPY.
Marilyn C. Wakefield Date 07/11/2011

6. **ACCEPTANCE:** I/WE accept the above Counter Offer (If checked ☐ SUBJECT TO THE ATTACHED COUNTER OFFER) and acknowledge receipt of a Copy.
Date _____ Time _____ ☐ AM ☐ PM
Date _____ Time _____ ☐ AM ☐ PM

7. **MULTIPLE COUNTER OFFER SIGNATURE LINE:** By signing below, Seller accepts this Multiple Counter Offer.
NOTE TO SELLER: Do NOT sign in this box until after Buyer signs in paragraph 6. (Paragraph 7 applies only if paragraph 4 is checked.)
Date _____ Time _____ ☐ AM ☐ PM
Date _____ Time _____ ☐ AM ☐ PM

8. (_____/_____) (Initials) **Confirmation of Acceptance:** A Copy of Signed Acceptance was personally received by the maker of the Counter Offer, or that person's authorized agent as specified in paragraph 3 (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent as specified in paragraph 4) on (date) _____ at _____ AM ☐ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by the the maker of the Counter Offer, or that person's authorized agent (or, if this is a Multiple Counter Offer, the Buyer or Buyer's authorized agent) whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Acceptance has occurred.

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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____



CO REVISED 11/10 (PAGE 1 OF 1)

COUNTER OFFER (CO PAGE 1 OF 1)

Agent: Marilyn Blodgett

Phone: 714.974.2090

Fax: 714.974.2252

Prepared using zipForm® software

Broker: Blodgett, Gesell, Realtors 2914 E. Katella Ave. #200 Orange, CA 92667



CALIFORNIA
ASSOCIATION
OF REALTORS®

VACANT LAND PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form VLPA, Revised 4/10)

Date July 3, 2011

1. OFFER:

- A. THIS IS AN OFFER FROM Big Horn Water District ("Buyer")
- B. THE REAL PROPERTY TO BE ACQUIRED is described as E 1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 15 Township 3 North Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino, State of California (5 acres), Assessor's Parcel No(s). 0454-181-06-0-000 situated in Johnson Valley, County of San Bernardino, California, ("Property").
- C. THE PURCHASE PRICE offered is Five Thousand (Dollars \$ 5,000.00).

D. CLOSE OF ESCROW shall occur on 8/31/2011 or sooner (date) (or ☐ Days After Acceptance).

2. AGENCY:

A. POTENTIALLY COMPETING BUYERS AND SELLERS: Buyer and Seller each acknowledge receipt of a disclosure of the possibility of multiple representation by the Broker representing that principal. This disclosure may be part of a listing agreement, buyer representation agreement or separate document (C.A.R. Form DA). Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on or ultimately acquire the Property. Seller understands that Broker representing Seller may also represent other sellers with competing properties of interest to this Buyer.

B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction.

Listing Agent Blodgett, Gasell and Associates, Realtors (Print Firm Name) is the agent of (check one): ☐ the Seller exclusively; or ☒ both the Buyer and Seller.

Selling Agent _____ (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): ☐ the Buyer exclusively; or ☐ the Seller exclusively; or ☐ both the Buyer and Seller. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

3. FINANCE TERMS: Buyer represents that funds will be good when deposited with Escrow Holder.

A. INITIAL DEPOSIT: Deposit shall be in the amount of \$ 1,000.00

- (1) Buyer shall deliver deposit directly to Escrow Holder by personal check, ☒ electronic funds transfer, ☐ Other _____ within 3 business days after acceptance (or ☐ Other _____):

OR (2) (If checked) ☐ Buyer has given the deposit by personal check (or ☐ _____) to the agent submitting the offer (or to ☐ _____). The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder (or ☐ into Broker's trust account) within 3 business days after Acceptance (or ☐ Other _____).

B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of \$ _____ within _____ Days After Acceptance, or ☐ _____.

C. LOAN(S)

(1) FIRST LOAN in the amount of \$ _____

This loan will be conventional financing or, if checked, ☐ FHA, ☐ VA, ☐ Seller (C.A.R. Form SFA), ☐ assumed financing (C.A.R. Form PAA), ☐ Other _____. This loan shall be at a fixed rate not to exceed _____ % or, ☐ an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.

(2) ☐ SECOND LOAN in the amount of \$ _____

This loan will be conventional financing or, if checked, ☐ Seller (C.A.R. Form SFA), ☐ assumed financing (C.A.R. Form PAA), ☐ Other _____. This loan shall be at a fixed rate not to exceed _____ % or, ☐ an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.

D. ADDITIONAL FINANCING TERMS: Cash - \$ 4,000.00
Buyer to pay all cost in connection to this sale.

E. BALANCE OF PURCHASE PRICE OR DOWN PAYMENT in the amount of \$ _____ to be deposited with Escrow Holder within sufficient time to close escrow

F. PURCHASE PRICE (TOTAL): \$ 5,000.00

Buyer's Initials (_____) (_____)

Seller's Initials MD (_____) (_____)

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VLPA REVISED 4/10 (PAGE 1 OF 10)

VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 1 OF 10)

Agent: Marilyn Blodgett

Phone: 714.974.2090

Fax: 714.974.2252

Prepared using zipForm® software

Broker: Blodgett, Gasell, Realtors 2914 E. Katella Ave. #200 Orange, CA 92667



W 1/2 of the Southeast 1/4, of the Northwest 1/4 of Section 15 Township 3 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (5 acres)

Date: July 3, 2011

- G. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Buyer (or Buyer's lender or loan broker pursuant to 3H(1)) shall, within 7 (or ☐) Days After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (If checked, ☐ verification attached)
- H. LOAN TERMS:
- (1) LOAN APPLICATIONS: Within 7 (or ☐) Days After Acceptance, Buyer shall Deliver to Seller a letter from lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in 3C above. (If checked ☐ letter attached.)
- (2) LOAN CONTINGENCY: Buyer shall act diligently and in good faith to obtain the designated loan(s). Obtaining the loan(s) specified above is a contingency of this Agreement unless otherwise agreed in writing. Buyer's contractual obligations to obtain and provide deposit, balance of down payment and closing costs are not contingencies of this Agreement.
- (3) LOAN CONTINGENCY REMOVAL:
- (i) Within 17 (or ☐) Days After Acceptance, Buyer shall, as specified in paragraph 19, in writing remove the loan contingency or cancel this Agreement;
- OR (ii) if checked ☐ the loan contingency shall remain in effect until the designated loans are funded.
- (4) ☐ NO LOAN CONTINGENCY (If checked): Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
- I. APPRAISAL CONTINGENCY AND REMOVAL: This Agreement is (OR, if checked, ☒ is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the specified purchase price. If there is a loan contingency, Buyer's removal of the loan contingency shall be deemed removal of this appraisal contingency (or, ☐ if checked, Buyer shall, as specified in paragraph 19B(3), in writing remove the appraisal contingency or cancel this Agreement within 17 (or ☐) Days After Acceptance). If there is no loan contingency, Buyer shall, as specified in paragraph 19B(3), in writing remove the appraisal contingency or cancel this Agreement within 17 (or ☐) Days After Acceptance.
- J. ☒ ALL CASH OFFER (If checked): Buyer shall, within 7 (or ☐) Days After Acceptance, Deliver to Seller written verification of sufficient funds to close this transaction. (If checked ☐ verification attached.)
- K. BUYER STATED FINANCING: Seller has relied on Buyer's representation of the type of financing specified (including but not limited to, as applicable, amount of down payment, contingent or non contingent loan, or all cash). If Buyer seeks alternate financing, (i) Seller has no obligation to cooperate with Buyer's efforts to obtain such financing, and (ii) Buyer shall also pursue the financing method specified in this Agreement. Buyer's failure to secure alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.
- L. SELLER FINANCING: The following terms (or ☐ (if checked) the terms specified in the attached Seller Financing Addendum (C.A.R. Form SFA) apply ONLY to financing extended by Seller under this Agreement.
- (1) BUYER'S CREDIT-WORTHINESS: Buyer authorizes Seller and/or Brokers to obtain, at Buyer's expense, a copy of Buyer's credit report. Within 7 (or ☐) Days After Acceptance, Buyer shall provide any supporting documentation reasonably requested by Seller.
- (2) TERMS: Buyer's promissory note, deed of trust and other documents as appropriate shall incorporate and implement the following additional terms: (i) the maximum interest rate specified in paragraph 3C shall be the actual fixed interest rate for Seller financing; (ii) deed of trust shall contain a REQUEST FOR NOTICE OF DEFAULT on senior loans; (iii) Buyer shall sign and pay for a REQUEST FOR NOTICE OF DELINQUENCY prior to Close Of Escrow and at any future time if requested by Seller; (iv) note and deed of trust shall contain an acceleration clause making the loan due, when permitted by law and at Seller's option, upon the sale or transfer of the Property or any interest in it; (v) note shall contain a late charge of 6% of the installment due (or ☐) if the installment is not received within 10 days of the date due; (vi) title insurance coverage in the form of a joint protection policy shall be provided insuring Seller's deed of trust interest in the Property (any increased cost over owner's policy shall be paid by Buyer); and (vii) tax service shall be obtained and paid for by Buyer to notify Seller if property taxes have not been paid.
- (3) ADDED, DELETED OR SUBSTITUTED BUYERS: The addition, deletion or substitution of any person or entity under this Agreement or to title prior to Close Of Escrow shall require Seller's written consent. Seller may grant or withhold consent in Seller's sole discretion. Any additional or substituted person or entity shall, if requested by Seller, submit to Seller the same documentation as required for the original named Buyer. Seller and/or Brokers may obtain a credit report, at Buyer's expense, on any such person or entity.
- M. ASSUMED OR "SUBJECT TO" FINANCING: Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 19, provide Copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, as specified in paragraph 19B(3), remove this contingency or cancel this Agreement. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If this is an assumption of a VA Loan, the sale is contingent upon Seller being provided a release of liability and substitution of eligibility, unless otherwise agreed in writing. If the Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.
4. ALLOCATION OF COSTS (If checked): Unless otherwise specified in writing, this paragraph only determines who is to pay for the inspection, test or service ("Report") mentioned; it does not determine who is to pay for any work recommended or identified in the Report.
- A. INSPECTIONS AND REPORTS:
- (1) ☐ Buyer ☐ Seller shall pay to have existing septic or private sewage disposal system, if any, inspected _____
- (2) ☒ Buyer ☐ Seller shall pay for costs of testing to determine the suitability of soil for sewage disposal _____
- (3) ☒ Buyer ☐ Seller shall pay to have existing wells, if any, tested for water potability and productivity _____

Buyer's Initials (_____) (_____)

Seller's Initials (MD) (_____)

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VLPA REVISED 4/10 (PAGE 2 OF 10)

Reviewed by _____ Date _____



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 2 OF 10)

Unfiled

E 1/2 of the Southeast 1/4, of the Northwest 1/4 of Section 15 Township 3 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (5 acres)

Date: July 3, 2011

(4) ☐ Buyer ☐ Seller shall pay to have Property corners identified _____

(5) ☐ Buyer ☐ Seller shall pay for a natural hazard zone disclosure report prepared by _____

(6) ☐ Buyer ☐ Seller shall pay for the following inspection or report _____

(7) ☐ Buyer ☐ Seller shall pay for the following inspection or report _____

B. ESCROW AND TITLE:

(1) ☒ Buyer ☐ Seller shall pay escrow fee _____

Escrow Holder shall be _____

(2) ☒ Buyer ☐ Seller shall pay for owner's title insurance policy specified in paragraph 15E _____

Owner's title policy to be issued by Fidelity National Title Company

(Buyer shall pay for any title insurance policy insuring Buyer's Lender, unless otherwise agreed in writing.)

C. OTHER COSTS:

(1) ☒ Buyer ☐ Seller shall pay County transfer tax or transfer fee _____

(2) ☐ Buyer ☐ Seller shall pay City transfer tax or transfer fee _____

(3) ☐ Buyer ☐ Seller shall pay Homeowners' Association ("HOA") transfer fees _____

(4) ☒ Buyer ☐ Seller shall pay HOA document preparation fees _____

(5) ☒ Buyer ☐ Seller shall pay for escrow commissions and all closing costs in connection to this sale

(6) ☐ Buyer ☐ Seller shall pay for _____

5. **POSSESSION AND KEYS:** Possession shall be delivered to Buyer at 6PM or _____ ☐ AM ☐ PM, ☐ on the date of Close Of Escrow;
☐ on _____; or ☐ no later than _____ Days After Close Of Escrow. The Property shall be unoccupied, unless
otherwise agreed in writing. Seller shall provide keys and/or means to operate all Property locks. If Property is located in a common interest
subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

6. STATUTORY DISCLOSURES AND CANCELLATION RIGHTS:

A. **NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in paragraph 19, deliver to Buyer if required by Law: (i)
earthquake guides (and questionnaire) and environmental hazards booklet; (ii) disclose if the Property is located in a Special Flood Hazard Area:
Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone;
and (iii) disclose any other zone as required by Law and provide any other information required for those zones.

B. **WITHHOLDING TAXES:** Within the time specified in paragraph 19A, to avoid required withholding, Seller shall Deliver to Buyer or qualified
substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).

C. **MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex
offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending
on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and
ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker
recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this
area.)

7. SELLER DOCUMENTATION AND ADDITIONAL DISCLOSURE:

A. Within the time specified in paragraph 19, if Seller has actual knowledge, Seller shall provide to Buyer, in writing, the following information:

(1) **LEGAL PROCEEDINGS:** Any lawsuits by or against Seller, threatening or affecting the Property, including any lawsuits alleging a defect or
deficiency in the Property or common areas, or any known notices of abatement or citations filed or issued against the Property.

(2) **AGRICULTURAL USE:** Whether the Property is subject to restrictions for agricultural use pursuant to the Williamson Act (Government Code
§§51200-51295).

(3) **DEED RESTRICTIONS:** Any deed restrictions or obligations.

(4) **FARM USE:** Whether the Property is in, or adjacent to, an area with Right to Farm rights (Civil Code §3482.5 and §3482.6).

(5) **ENDANGERED SPECIES:** Presence of endangered, threatened, 'candidate' species, or wetlands on the Property.

(6) **ENVIRONMENTAL HAZARDS:** Any substances, materials, or products that may be an environmental hazard including, but not limited to,
asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the Property.

(7) **COMMON WALLS:** Any features of the Property shared in common with adjoining landowners, such as walls, fences, roads, and driveways,
and agriculture and domestic wells whose use or responsibility for maintenance may have an effect on the Property.

(8) **LANDLOCKED:** The absence of legal or physical access to the Property.

(9) **EASEMENTS/ENCROACHMENTS:** Any encroachments, easements or similar matters that may affect the Property.

(10) **SOIL FILL:** Any fill (compacted or otherwise), or abandoned mining operations on the Property.

(11) **SOIL PROBLEMS:** Any slippage, sliding, flooding, drainage, grading, or other soil problems.

(12) **EARTHQUAKE DAMAGE:** Major damage to the Property or any of the structures from fire, earthquake, floods, or landslides.

(13) **ZONING ISSUES:** Any zoning violations, non-conforming uses, or violations of "setback" requirements.

(14) **NEIGHBORHOOD PROBLEMS:** Any neighborhood noise problems, or other nuisances.

B. **RENTAL AND SERVICE AGREEMENTS:** Within the time specified in paragraph 19, Seller shall make available to Buyer for inspection and
review, all current leases, rental agreements, service contracts and other related agreements, licenses, and permits pertaining to the operation or
use of the Property.

C. ☐ **TENANT ESTOPPEL CERTIFICATES:** (If checked) Within the time specified in paragraph 19, Seller shall deliver to Buyer tenant estoppel
certificates (C.A.R. Form TEC) completed by Seller or Seller's agent, and signed by tenants, acknowledging: (i) that tenants' rental or lease
agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii)
stating the amount of any prepaid rent or security deposit.

D. **MELLO-ROOS TAX; 1915 BOND ACT:** Within the time specified in paragraph 19, Seller shall: (i) make a good faith effort to obtain a notice from
any local agencies that levy a special tax or assessment on the Property (or, if allowed, substantially equivalent notice), pursuant to the
Mello-Roos Community Facilities Act, and Improvement Bond Act of 1915, and (ii) promptly deliver to Buyer any such notice obtained.

Buyer's Initials (_____) (_____)

Seller's Initials MD (_____)

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Reviewed by _____ Date _____



VACANT LAND PURCHASE AGREEMENT (VLPB PAGE 3 OF 10)

Unfiled

E 1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 15 Township 7 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (5 acres)

Date: July 3, 2011

8. CONDOMINIUM/PLANNED UNIT DEVELOPMENT DISCLOSURES:

- A. SELLER HAS: 7 (or ☐ _____) Days After Acceptance to disclose to Buyer whether the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form VLQ).
- B. If the Property is a condominium, or located in a planned unit development or other common interest subdivision, Seller has 3 (or ☐ _____) Days After Acceptance to request from the HOA (C.A.R. Form HOA): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures") and (vi) the following if Seller has actual knowledge: (a) any material defects in the condition of common area (such as pools, tennis courts, walkways or other areas co-owned in undivided interest with other); and (b) possible lack of compliance with HOA requirements. Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3).

9. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer of which Buyer is otherwise unaware. Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.

10. CHANGES DURING ESCROW:

- A. Prior to Close Of Escrow, Seller may engage in the following acts, ("Proposed Changes"), subject to Buyer's rights in paragraph 19: (i) rent or lease any part of the premises; (ii) alter, modify or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.
- B. At least 7 (or ☐ _____) Days prior to any Proposed Changes, Seller shall give written notice to Buyer of such Proposed Changes.

11. ITEMS INCLUDED AND EXCLUDED:

- A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in 11B or C.
- B. **ITEMS INCLUDED IN SALE:**
- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) The following items: _____
- (3) Seller represents that all items included in the purchase price, unless otherwise specified, are owned by Seller.
- (4) All items included shall be transferred free of liens and without Seller warranty.
- C. **ITEMS EXCLUDED FROM SALE:** _____

12. **CONDITION OF PROPERTY:** Unless otherwise agreed: (i) the Property is sold (a) in its PRESENT physical ("as-is") condition as of the date of Acceptance and (b) subject to Buyer investigation rights; (ii) the Property is to be maintained in substantially the same condition as of the date of Acceptance and (iii) ☐ (If checked) All debris and personal property not included in the sale shall be removed by Seller by Close Of Escrow.

- A. SELLER SHALL, within the time specified in paragraph 19, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS AFFECTING THE PROPERTY AND MAKE ALL OTHER DISCLOSURES REQUIRED BY LAW.
- B. Buyer has the right to inspect the Property and, as specified in paragraph 19B, based upon information discovered in those inspections, (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.

13. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:

- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 19B. Within the time specified in paragraph 19B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the Insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 19B, complete Buyer Investigations and, either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. **Buyer indemnity and Seller protection for entry upon property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs of Buyer's Investigations. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination or cancellation of this Agreement and Close Of Escrow.

Buyer's Initials (_____) (_____)

Seller's Initials (md) (_____)

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Reviewed by _____ Date _____



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 4 OF 10)

Unfiled

Date: July 3, 2011

BUYER IS STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY AND ALL MATTERS AFFECTING THE VALUE OR DESIRABILITY OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE ITEMS SPECIFIED BELOW. IF BUYER DOES NOT EXERCISE THESE RIGHTS, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS. BUYER UNDERSTANDS THAT ALTHOUGH CONDITIONS ARE OFTEN DIFFICULT TO LOCATE AND DISCOVER, ALL REAL PROPERTY CONTAINS CONDITIONS THAT ARE NOT READILY APPARENT AND THAT MAY AFFECT THE VALUE OR DESIRABILITY OF THE PROPERTY. BUYER AND SELLER ARE AWARE THAT BROKERS DO NOT GUARANTEE, AND IN NO WAY ASSUME RESPONSIBILITY FOR, THE CONDITION OF THE PROPERTY. BROKERS HAVE NOT AND WILL NOT VERIFY ANY OF THE ITEMS IN THIS PARAGRAPH 13, UNLESS OTHERWISE AGREED IN WRITING.

- E. **SIZE, LINES, ACCESS AND BOUNDARIES:** Lot size, property lines, legal or physical access and boundaries including features of the Property shared in common with adjoining landowners, such as walls, fences, roads and driveways, whose use or responsibility for maintenance may have an effect on the Property and any encroachments, easements or similar matters that may affect the Property. (Fences, hedges, walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. Property lines may be verified by survey.) (Unless otherwise specified in writing, any numerical statements by Brokers regarding lot size are APPROXIMATIONS ONLY, which have not been and will not be verified, and should not be relied upon by Buyer.)
- F. **ZONING AND LAND USE:** Past, present, or proposed laws, ordinances, referendums, initiatives, votes, applications and permits affecting the current use of the Property, future development, zoning, building, size, governmental permits and inspections. Any zoning violations, non-conforming uses, or violations of "setback" requirements. (Buyer should also investigate whether these matters affect Buyer's intended use of the Property.)
- G. **UTILITIES AND SERVICES:** Availability, costs, restrictions and location of utilities and services, including but not limited to, sewerage, sanitation, septic and leach lines, water, electricity, gas, telephone, cable TV and drainage.
- H. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products or conditions.
- I. **GEOLOGIC CONDITIONS:** Geologic/seismic conditions, soil and terrain stability, suitability and drainage including any slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.
- J. **NATURAL HAZARD ZONE:** Special Flood Hazard Areas, Potential Flooding (Inundation) Areas, Very High Fire Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.
- K. **PROPERTY DAMAGE:** Major damage to the Property or any of the structures or non-structural systems and components and any personal property included in the sale from fire, earthquake, floods, landslides or other causes.
- L. **NEIGHBORHOOD, AREA AND PROPERTY CONDITIONS:** Neighborhood or area conditions, including Agricultural Use Restrictions pursuant to the Williamson Act (Government Code §§51200-51295), Right To Farm Laws (Civil Code §3482.5 and §3482.6), schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless Internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, abandoned mining operations on the Property, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.
- M. **COMMON INTEREST SUBDIVISIONS: OWNER ASSOCIATIONS:** Facilities and condition of common areas (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others), Owners' Association that has any authority over the subject property, CC&Rs, or other deed restrictions or obligations, and possible lack of compliance with any Owners' Association requirements.
- N. **SPECIAL TAX:** Any local agencies that levy a special tax on the Property pursuant to the Mello-Roos Community Facilities Act or Improvement Bond Act of 1915.
- O. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants and the right of a landlord to terminate a tenancy.
- P. **MANUFACTURED HOME PLACEMENT:** Conditions that may affect the ability to place and use a manufactured home on the Property.
14. **SELLER DISCLOSURES; ADDENDA; ADVISORIES; OTHER TERMS:**

A. **Seller Disclosures (If checked):** Seller shall, within the time specified in paragraph 19A, complete and provide Buyer with a:

☒ Seller Vacant Land Questionnaire (C.A.R. Form VLQ)

B. **Addenda (If checked):**

☐ Addendum # _____ (C.A.R. Form ADM)

☐ Wood Destroying Pest Inspection and Allocation of Cost Addendum (C.A.R. Form WPA)

☐ Purchase Agreement Addendum (C.A.R. Form PAA)

☐ Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)

☐ Short Sale Addendum (C.A.R. Form SSA)

☐ Other _____

C. **Advisories (If checked):**

☐ Probate Advisory (C.A.R. Form PAK)

☐ Buyer's Inspection Advisory (C.A.R. Form BIA)

☐ Trust Advisory (C.A.R. Form TA)

☐ Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)

☐ REO Advisory (C.A.R. Form REO)

D. **Other Terms:**

Buyer's Initials (_____) (_____)

Seller's Initials KMD (_____)

Reviewed by _____ Date _____



1/2 of the Southeast 1/4, of the Northwest 1/4 of Section 15 Township 3 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property State of California (5 acres)

Date: July 3, 2011

15. TITLE AND VESTING:

- A. Within the time specified in paragraph 19, Buyer shall be provided a current preliminary title report, which shall include a search of the General Index. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information. The preliminary report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the preliminary report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 19B.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 19, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
- E. Buyer shall receive a standard coverage owner's CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, survey requirements, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and pay any increase in cost.

16. SALE OF BUYER'S PROPERTY:

- A. This Agreement is NOT contingent upon the sale of any property owned by Buyer.
- OR B. ☐ (If checked) The attached addendum (C.A.R. Form COP) regarding the contingency for the sale of property owned by Buyer is incorporated into this Agreement.

17. ☐ MANUFACTURED HOME PURCHASE (If checked): The purchase of the Property is contingent upon Buyer acquiring a personal property manufactured home to be placed on the Property after Close Of Escrow. Buyer ☐ has ☐ has not entered into a contract for the purchase of a personal property manufactured home. Within the time specified in paragraph 19, Buyer shall remove this contingency or cancel this Agreement. (OR, if checked, ☐ this contingency shall remain in effect until the Close Of Escrow of the Property).

18. ☐ CONSTRUCTION LOAN FINANCING (If checked): The purchase of the Property is contingent upon Buyer obtaining a construction loan. A draw from the construction loan ☐ will ☐ will not be used to finance the Property. Within the time specified in paragraph 19, Buyer shall remove this contingency or cancel this Agreement (or, if checked, ☐ this contingency shall remain in effect until Close Of Escrow of the Property).

19. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).

- A. SELLER HAS: 7 (or ☐) Days After Acceptance to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 3M, 4, 6A and B, 7, 8A, 12A, 14A and B, and 15. Buyer may give Seller a Notice to Seller to Perform (C.A.R. Form NSP) if Seller has not delivered the items within the time specified.

- B. (1) BUYER HAS: 17 (or ☐) Days After Acceptance, unless otherwise agreed in writing, to complete all Buyer investigations; approve all disclosures, reports and other applicable information, which Buyer receives from Seller; and approve all other matters affecting the Property (including lead-based paint and lead-based paint hazards as well as other information specified in paragraph 6 and insurability of Buyer and the Property).

- (2) Within the time specified in 19B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests.

- (3) Within the time specified in 19B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller either (i) a removal of the applicable contingency (C.A.R. Form CR), or (ii) a cancellation (C.A.R. Form CC) of this Agreement based upon a remaining contingency or Seller's failure to Deliver the specified items. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in 19A, then Buyer has 5 (or ☐) Days After Delivery or any such items, or the time specified in 19B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.

- (4) Continuation of Contingency: Even after the end of the time specified in 19B(1) and before Seller cancels this Agreement, if at all, pursuant to 19C, Buyer retains the right to either (i) in writing remove remaining contingencies, or (ii) cancel this Agreement based upon a remaining contingency or Seller's failure to Deliver the specified items. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to 19C(1).

C. SELLER RIGHT TO CANCEL:

- (1) Seller right to Cancel; Buyer Contingencies: If, within the time specified in this Agreement, Buyer does not, in writing, Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP) may cancel this Agreement. In such event, Seller shall authorize return of Buyer's deposit.

- (2) Seller right to Cancel; Buyer Contract Obligations: Seller, after first Delivering to Buyer a NBP may cancel this Agreement for any of the following reasons: (i) if Buyer fails to deposit funds as required by 3A or 3B; (ii) if the funds deposited pursuant to 3A or 3B are not good when deposited; (iii) if Buyer fails to Deliver a letter as required by 3H; (iv) if Buyer fails to Deliver verification as required by 3G or 3J; or (v) if Seller reasonably disapproves of the verification provided by 3G or 3J or the credit report or supporting documentation pursuant to 3M. In such event, Seller shall authorize return of Buyer's deposit.

- (3) Notice To Buyer To Perform: The NBP shall: (i) be in writing; (ii) be signed by Seller; and (iii) give Buyer at least 2 (or ☐) Days After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP may not be Delivered any earlier than 2 Days Prior to the expiration of the applicable time for Buyer to remove a contingency or cancel this Agreement or meet an obligation specified in 19C(2).

- D. EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES: If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in a separate written agreement between Buyer and Seller, Buyer shall with regard to that contingency or cancellation right conclusively be deemed to have: (i) completed all Buyer investigations, and review of reports and other applicable information and disclosures; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections or for inability to obtain financing.

Buyer's Initials () ()

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VLPA REVISED 4/10 (PAGE 6 OF 10)

Seller's Initials () ()

Reviewed by _____ Date _____



EQUAL OPPORTUNITY
OFFICIAL 1991

Unfiled

VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 6 OF 10)

E 1/2 of the Southeast 1/4, of the Northwest 1/4 of Section 15 Township 3 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (5 acres)

Date: July 3, 2011

- E. **CLOSE OF ESCROW:** Before Seller or Buyer may cancel this Agreement for failure of the other party to close escrow pursuant to this Agreement, Seller or Buyer must first give the other a demand to close escrow (C.A.R. Form DCE).
- F. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, Buyer and Seller agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Release of funds will require mutual Signed release instructions from Buyer and Seller, judicial decision or arbitration award.
20. **FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final inspection of the Property within 5 (or _____) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 12; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. FORM VP).
21. **ENVIRONMENTAL HAZARD CONSULTATION:** Buyer and Seller acknowledge: (i) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (ii) Broker(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; (iii) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
22. **PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello Roos and other Special Assessment District bonds and assessments that are a current lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are a current lien but not yet due. The Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller. See C.A.R. Form SPT or SBSA for further information. TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.
23. **SELECTION OF SERVICE PROVIDERS:** Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
24. **MULTIPLE LISTING SERVICE/PROPERTY DATA SYSTEM:** If Broker is a participant of a Multiple Listing Service ("MLS") or Property Data System ("PDS"), Broker is authorized to report to the MLS or PDS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be produced to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS or PDS.
25. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
26. **ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 31A.
27. **DEFINITIONS:** As used in this Agreement:
- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a party and is delivered to and personally received by the other party or that party's authorized agent in accordance with the terms of this offer or a final counter offer.
- B. "C.A.R. Form" means the specific form referenced or another comparable form agreed to by the parties.
- C. "Close Of Escrow" means the date the grant deed, or other evidence of transfer of title, is recorded.
- D. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
- E. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
- F. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
- G. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
- H. "Deliver", "Delivered" or "Delivery", regardless of the method used (i.e. messenger, mail, email, fax, other), means and shall be effective upon (i) personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in paragraph D of the section titled Real Estate Brokers on page 8;
- OR (ii) if checked, ☐ per the attached addendum (C.A.R. Form RDN).
- I. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other party.
- J. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
- K. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- L. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.
28. **BROKERS:**
- A. **BROKER COMPENSATION** Seller or Buyer, or both, as applicable, agrees to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.

Buyer's Initials (_____) (_____)

Seller's Initials (emo) (_____)

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Reviewed by _____ Date _____



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 7 OF 10)

Unfiled

2 1/2 of the Southeast 1/4, of the Northwest 1/4 of Section 15 Township 4 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (5 acres)

Date: July 3, 2011

B. **SCOPE OF BROKER DUTY:** Buyer and Seller acknowledge and agree that: Brokers: (i) do not decide what price Buyer should pay or Seller should accept; (ii) do not guarantee the condition of the Property; (iii) do not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) shall not be responsible for identifying defects that are not known to Broker(s); (v) shall not be responsible for inspecting public records or permits concerning the title or use of the Property; (vi) shall not be responsible for identifying location of boundary lines or other items affecting title; (vii) shall not be responsible for verifying square footage, representations of others or information contained in inspection reports, MLS or PDS, advertisements, flyers or other promotional material, unless otherwise agreed in writing; (viii) shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller in the course of this representation; and (ix) shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance title and other desired assistance from appropriate professionals.

29. **JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**

A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: 1, 3, 4, 6B, 14B and D, 15, 16B, 17, 18, 19F, 22, 27, 28A, 29, 33, 35, and paragraph D of the section titled Real Estate Brokers on page 10. If a Copy of the separate compensation agreement(s) provided for in paragraph 28A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out of Buyer's or Seller's funds, or both, as applicable, the respective Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not specifically referenced above in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provisions upon Escrow Holder's request. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow.

B. A Copy of this Agreement shall be delivered to Escrow Holder within 3 business days after Acceptance (or ☐ _____). Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement.

C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 28A and paragraph D of the section titled Real Estate Brokers on page 10. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 28A, respectively, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement. Escrow Holder shall immediately notify Brokers: (i) if Buyer's initial or any additional deposit is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if either Buyer or Seller instruct Escrow Holder to cancel escrow.

D. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 2 business days after mutual execution of the amendment.

30. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award.

Buyer's Initials _____

Seller's Initials MD / _____

31. **DISPUTE RESOLUTION:**

A. **MEDIATION:** Buyer and Seller agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. Buyer and Seller also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED. Exclusions from this mediation agreement are specified in paragraph 31C.

B. **ARBITRATION OF DISPUTES:**

Buyer and Seller agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. Buyer and Seller also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate Law experience, unless the parties mutually agree to a different arbitrator. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 31C.

Buyer's Initials (_____) (_____)

Seller's Initials MD (_____)

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Reviewed by _____ Date _____



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 8 OF 10)

Unfiled

1/2 of the Southeast 1/4 of the Northwest 1/4 of Section 15 Township 3 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (5 acres)

Date: July 3, 2011

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials _____ / _____

Seller's Initials MD / _____

C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:

- (1) EXCLUSIONS: The following matters shall be excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver or violation of the mediation and arbitration provisions.
- (2) BROKERS: Brokers shall not be obligated or compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to the Agreement.

32. TERMS AND CONDITIONS OF OFFER:

This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initialed by all parties or if incorporated by mutual agreement in a counter offer or addendum. If at least one but not all parties initial such paragraph(s), a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.

33. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES: Time is of the essence. All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as otherwise specified, this Agreement shall be interpreted and disputes shall be resolved in accordance with the laws of the State of California. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.

34. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit shall be returned unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by _____, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or, if checked, ☐ by _____ ☐ AM ☐ PM, on _____ (date)).

Buyer has read and acknowledges receipt of a Copy of the offer and agrees to the above confirmation of agency relationships.

Date _____

Date _____

BUYER _____

BUYER _____

Big Horn Water District
(Print name)

(Print name)

(Address) _____

☐ Additional Signature Addendum attached (C.A.R. Form ASA).

35. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer, agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to Deliver a Signed Copy to Buyer.

☐ (If checked) SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form CO) DATED: _____

Date July 3, 2011

Date _____

SELLER Marilyn C. Wakefield

SELLER _____

Marilyn C. Wakefield
(Print name)

(Print name)

6406 E. Hollyoak Ridge Road, Orange, CA 92867
(Address)

☐ Additional Signature Addendum attached (C.A.R. Form ASA).

- (_____ / _____) Confirmation of Acceptance: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____ ☐ AM ☐ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

Buyer's Initials (_____) (_____)

Seller's Initials (MD) (_____)

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Reviewed by _____ Date _____



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 9 OF 10)

Untitled

E 1/2 of the Southeast 1/4, of the Northwest 1/4 of Section 15 Township 4 North
Range 4 East, San Bernardino Base and Meridian in the county of San Bernardino,
Property: State of California (3 acres)

Date: July 3, 2011

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
B. Agency relationships are confirmed as stated in paragraph 2.
C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.
D. **COOPERATING BROKER COMPENSATION:** Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow: (i) the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS; or (ii) ☐ (if checked) the amount specified in a separate written agreement (C.A.R. Form CBC) between Listing Broker and Cooperating Broker. Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.

Real Estate Broker (Selling Firm) _____ DRE Lic. # 00314043
By Marilyn K. Blodgett DRE Lic. # 00442564 Date 07/03/2011
Address 2914 E. Katella Ave. Suite 200 City Orange State CA Zip 92867
Telephone (714) 974-2090 Fax (714) 974-2252 E-mail Blodgett@socal.rr.com

Real Estate Broker (Listing Firm) Blodgett, Gesell and Associates, Realtors DRE Lic. # 00314043
By Marilyn K. Blodgett DRE Lic. # 00442564 Date 07/03/2011
Address 2914 E. Katella Avenue Suite 200 City Orange State CA Zip 92867
Telephone (714) 974-2090 Fax (714) 974-2252 E-mail Blodgett@socal.rr.com

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement. (if checked, ☐ a deposit in the amount of \$ _____, counter offer(s) numbered _____ ☐ Seller's Statement of Information and ☐ Other _____, and agrees to act as Escrow Holder subject to paragraph 29 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions, if any.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder is licensed by the California Department of ☐ Corporations, ☐ Insurance, ☐ Real Estate. License # _____

PRESENTATION OF OFFER: (_____) Listing Broker presented this offer to Seller on _____ (date).
Broker or Designer Initials _____

REJECTION OF OFFER: (_____) (_____) No counter offer is being made. This offer was rejected by Seller on _____ (date).
Seller's Initials _____



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525 South Virgil Avenue, Los Angeles, California 90020

VLPA REVISED 4/10 (PAGE 10 of 10)

Reviewed by _____ Date _____



Closing Date: 8/15/2011
Prepared For:

Big Horn Water Company Prepared By:

Marilyn K. Blodgett
Blodgett, Gesell & Associates,
Realtors

Attn: Marina

[illegible]

Estimated Cash to Seller at Closing

This report has been prepared to assist the Seller in computing Net Equity. Any repairs or corrective work needs to be verified with and/or by the appropriate professionals. Prorations and payoff fees vary depending upon the month and day on which escrow closes. These figures may not reflect any delinquencies or liens of which the Seller may or may not be aware. Since escrow companies, lenders, and other participants vary in their charges, these figures are not guaranteed.

I have read the above report and understand that these figures are estimates based upon the information available at the time of compilation. This report is not intended to fulfill any state or federal disclosure requirements. I acknowledge receipt of a copy of this report.

Seller _____

Date _____

LAND APPRAISAL REPORT

Page #1

061122

File No.

Borrower <u>None</u>		Census Tract <u>104.05</u> Map Reference <u>4575 J6</u>	
Property Address <u>APN:0454-181-06-0000</u>			
City <u>Johnson Valley</u> County <u>San Bernardino</u> State <u>Ca</u> Zip Code <u>92285</u>			
Legal Description <u>E 1/2 NO 1/4 NE 1/4 NW 1/4 SEC 16 TP 3N R 4E 5. AC</u>			
Sale Price \$ <u>n/a</u> Date of Sale <u>n/a</u> Loan Term <u>n/a</u> yrs. Property Rights Appraised <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> De Minimis PUD			
Actual Real Estate Taxes \$ <u>49/2010</u> (yr) Loan charges to be paid by seller \$ <u>n/a</u> Other sales concessions <u>n/a</u>			
Lender/Client <u>Client: Marina West for BDVWD</u> Address <u>622 South Jemez Trail, Yucca Valley, CA 92284</u>			
Occupant <u>vacant land</u> Appraiser <u>John T. Boyd AG006627</u> Instructions to Appraiser <u>estimate the current value of the vacant land for possible purchase by water agency. Report is not for condemnation purpose or any other taking.</u>			

NEIGHBORHOOD	Location	<input type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input checked="" type="checkbox"/> Rural	Good Avg. Fair Poor		
	Built Up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%			
	Growth Rate	<input type="checkbox"/> Fully Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady			
	Property Values	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining			
	Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply			
	Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input type="checkbox"/> 4-6 Mos.	<input checked="" type="checkbox"/> Over 6 Mos.			
	Present Land Use	<u>55% 1 Family</u>	<u>0% 2-4 Family</u>	<u>0% Apts.</u>		<u>0% Condo</u>	<u>5% Commercial</u>
	Change in Present Land Use	<input type="checkbox"/> Not Likely	<input type="checkbox"/> Likely (*)	<input type="checkbox"/> Taking Place (*)			
	Predominant Occupancy	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> % Vacant			
	Single Family Price Range	\$ <u>20,000</u> to \$ <u>150,000</u>		Predominant Value \$ <u>50,000</u>			
Single Family Age	<u>1</u> yrs. to <u>70+</u> yrs.		Predominant Age <u>40</u> yrs.				

SITE	Dimensions <u>see plat map</u> = <u>5.00</u> Sq. Ft. or Acres <input type="checkbox"/> Corner Lot Zoning classification <u>Rural</u> Present Improvements <input checked="" type="checkbox"/> do <input type="checkbox"/> do not conform to zoning regulations Highest and best use <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other (specify) _____ Elec. <input checked="" type="checkbox"/> street Gas <input type="checkbox"/> _____ Water <input type="checkbox"/> _____ San. Sewer <input type="checkbox"/> _____ <input type="checkbox"/> Underground Elect. & Tel.	OFF SITE IMPROVEMENTS Street Access <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private Surface <u>dirt</u> Maintenance <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Storm Sewer <input type="checkbox"/> Curb/Gutter <input type="checkbox"/> Sidewalk <input type="checkbox"/> Street Lights Topo <u>flat with a wash area</u> Size <u>Average for area</u> Shape <u>Rectangular</u> View <u>desert</u> Drainage <u>Appears adequate</u>	Is the property located in a HUD identified Special Flood Hazard Area? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): <u>Site was located via Assessor parcel map and directions from the client. A survey was not made for this report if the client needs a more exact location then a survey should be conducted. Site is flat with a wash area. There is a MWA pipeline to the North side of the street. Power is at the street.</u>
------	---	--	--

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject; if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.							
ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3			
Address	APN:0454-181-06-0000 Johnson Valley	NNA off Joshua Tree Rd Johnson Valley	NNA off Joshua Tree Rd Johnson Valley	NNA Joshua Tree Rd Johnson Valley			
Proximity to Subject		2.23 miles W	2.15 miles W	0.24 miles NW			
Sales Price	\$ n/a	\$ 2,000	\$ 3,500	\$ 9,000			
Price	\$ n/a	\$ n/a	\$ n/a	\$ n/a			
Data Source		First American/MLS/Assessor	First American/MLS/Assessor	First American/MLS/Assessor			
Date of Sale and Time Adjustment	DESCRIPTION n/a	DESCRIPTION 04/21/2011	DESCRIPTION 12/22/2009	DESCRIPTION 07/28/2009	DESCRIPTION 07/28/2009	DESCRIPTION 07/28/2009	DESCRIPTION 07/28/2009
Location	4575 J6/Dirt Rd	4575 C5/Dirt Rd	4575 C5/Dirt Rd	4575 G5/dirt Rd	4575 G5/dirt Rd	4575 G5/dirt Rd	4575 G5/dirt Rd
Site/View	Avg / 5.00 AC	Avg / 2.5 AC	Avg / 2.5 AC	Avg / 2.5 AC	Avg / 2.5 AC	Avg / 2.5 AC	Avg / 2.5 AC
	Day on Market>>	266	26	61			
	Power street	None	None	Power street			
	Doc Nos>>>>	160315	566689	331267			
	MLS Nos>>>>	21131200	21131235	21129894			
Sales or Financing Concessions	n/a	Cash	Cash	Cash			
	0601-241-29-0000	0447-391-04-0000	0447-381-06-0000	0454-541-12			
Net Adj. (Total)		<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 2,250	<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 1,620	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -820			
Indicated Value of Subject		Net 112.5% \$ 4,250	Net 46.3% \$ 5,120	Net 9.1% \$ 8,180			

RECONCILIATION	Comments on Market Data: <u>As of 06/22/2011 sales of vacant land in the subject market were very limited. The comparables presented were the most recent and verifiable transactions in the immediate area. There has been only 1 sale in 2011, none in 2010 with balance of data from 2009. Currently there is 1 pending sale in the immediate area.</u> Comments and Conditions of Appraisal: <u>Report was prepared for possible purchase of the property by BDVWA, report is not to be used for condemnation purpose or any other taking. Most weight is given comp 1 the only fully closed sale in 2011 and comp 4 the currently pending property.</u> Final Reconciliation: <u>Comp 1 is a recent sale of 2.5 AC for \$2000 it is inferior to the subject as it lacks power. Comp 4 is currently in escrow for \$8000 per agent, it is also 2.5 AC, but is superior to the subject as it is on a paved road. Based on this information about \$5000 appears acceptable for the subject property.</u> I ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF <u>06/22/2011</u> to be \$ <u>5,000</u> <u>John T. Boyd</u> Appraiser(s) <u>John T. Boyd AG006627</u> signed <u>06/23/2011</u> Review Appraiser (if applicable) <input type="checkbox"/> Did <input type="checkbox"/> Did Not Physically Inspect Property
----------------	--

[Y2K]

Page #2

061122

File No.

ITEM		SUBJECT PROPERTY		COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
Address APN:0454-181-06-0000 Johnson Valley		46860 Hwy 247 Johnson Valley		NNA Hwy 247 Johnson Valley					
Proximity to Subject		3.44 miles NW		1.16 miles N					
Sales Price	\$ n/a	\$ 8,000	\$ 15,000						
Price	\$ n/a	\$ n/a	\$ n/a						
Data Source		First American/MLS/Assessor		First American/MLS/Assessor					
Date of sale and	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.
Time Adjustment	n/a	Pending		Active Listing	-3,000				
Location	4575 J6/Dirt Rd	4574 J4/Paved Rd	-2,500	4575 G4 /Paved Rd	-2,500				
Site/View	Avg / 5.00 AC	Avg / 2.5 AC	+1,250	Avg /12.5 AC	-3,750				
	Day on Market>>	235		279					
	Power street	Power street		Power street					
	Doc Nos>>>>	Pending		Active Listing					
	MLS Nos>>>>	21133366		21124064					
Sales or Financing	n/a	Cash		N/A					
Concessions	0601-241-29-0000	0447-562-56		0454-282-42					
Net Adj. (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-1,250	<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$	-9,250	<input type="checkbox"/> + <input type="checkbox"/> - \$			
Indicated Value		Net 15.6 %	\$ 6,750	Net 61.7 %	\$ 5,750	Net %	\$		
Comments: Comp 5 is a combined listing of 4 parcels APN 0454-282-442,43,04 and 0454-332-13 for a total of 12.5 AC									

Supplemental Addendum

File No.

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				

PRIOR SERVICE AT SUBJECT PROPERTY IN LAST 3 YEARS

To the best of the appraisers knowledge no professional services have been provided at the subject property in the last 3 years.

MARKET APPROACH:

The market approach is considered to given the best indication of subject value as it reflects the actions between knowledgeable buyers and sellers. The data sources utilized include: First American (Experian), Realist, local real estate agents, local MLS boards, buyers and sellers

Market area is considered to be Johnson Valley area Thomas map pages 4574, 4575 and 4576 Vacant land 2.00 to 40 AC. The search included 2009 to 2011. Properties were search in DCAOR MLS which covers the Johnson Valley area.

Several closed and verified sales have been presented in the valuation of the subject property. All comparables are located within the subjects stated market area. The comparables presented are considered to be the best available matches for the subject at this time.

Each adjustment is deduced from the market or consistent with standard appraisal methodology.

The following adjustments were made to the comparables:

Listing: 20% s taken is reflective of a typical sale/listing ratio for land in the area.

Site: \$500 per AC when a significant difference exists

Location: paved vs dirt road \$2500

Power at street \$1000

Time: sales from 2009 are adjusted at 1% per month to current as the market has been declining

The adjustments are rounded.

COMMENTS ON CONDITIONS OF APPRAISAL

The appraiser assumes no responsibility for possible presence of radon, molds or other toxic or hazardous materials on or about the subject property. The presence of such substances was not observed by or made known to the appraiser unless noted otherwise in this report. The appraiser is not considered to be qualified to detect such substances.

No survey was made of the site, site located via Co Assessor parcel map

RECONCILIATION:

The market approach is considered to give the best indication of subject value as it reflects the attitudes of informed buyers and sellers in the subject market.

For determination of value and selection of comparables. Comparables are selected based on recent sale date, close proximity to the subject. Vacant land sale prices are very erratic in the area. Sales in this area are very minimal.

CLIENT RELATIONSHIP

The client relationship is considered to be terminated when the report is delivered and accepted by the client as complete.

INTENDED USE/USER

The intended user of this report is the stated lender/client. The use is to estimate the value of the property as of 06/22/2011 for use by Marina West for BDVWA and assigned. This report is not intended and not valid for use by any other party or for any other use. The intended use is for the possible purchase of the property from the owner of record Marilyn Wakefield. Any use of this report by a third party is strictly prohibited without written permission from the stated lender and the appraiser.

Dodd-Frank

No employee, director, officer or agent of the lender, or any other third party acting as a joint venture partner, independent contractor, appraisal management company, or partner on behalf of the lender has influenced or attempted to influence the development, reporting, result or review of this assignment through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery or in any other manner. I have not been contacted by anyone other than the intended user (lender/client as identified on the first page of the report), borrower, or designated contact to make an appointment to enter the property. I agree to immediately report any unauthorized contacts either personally by phone or electronically to the party contracting this report.

ADDITIONAL ADDENDUM:

I certify that to the best of my of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute (S.S.R. 2-1)

I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives (S.S.R. 2-2)

Supplemental Addendum

File No.

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				

This appraisal has been completed in compliance with the UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP) AND THE OFFICE OF THE COMPTROLLER OF THE CURRENCY'S (OCC) minimum appraisal standards.

Other acceptable agencies "minimum appraisal standards are"

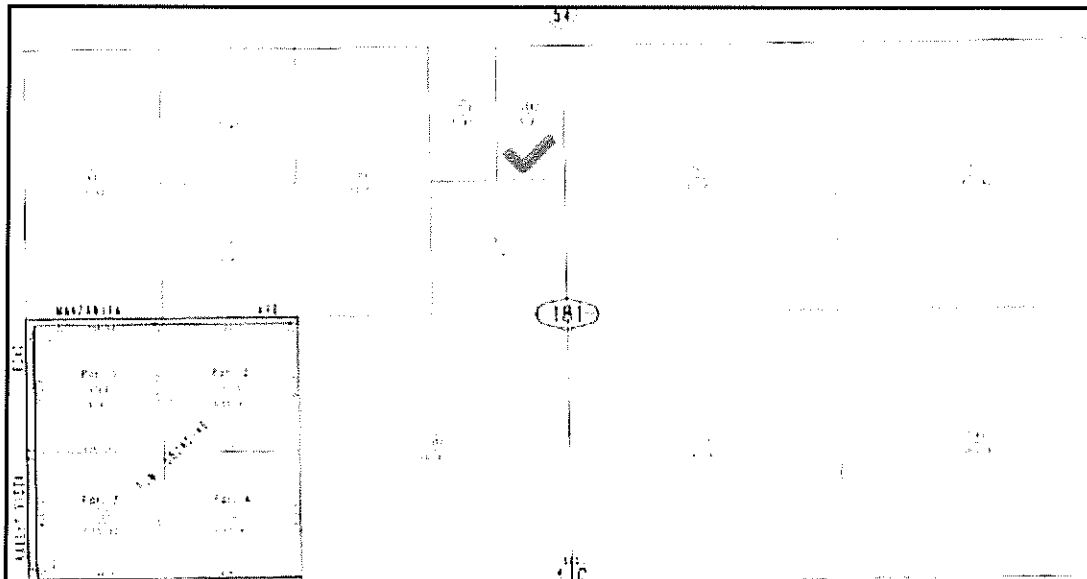
OTC: Office of Thrift Supervision

NCUA: National Credit Union Association

FDIC : Federal Deposit Insurance Corporation

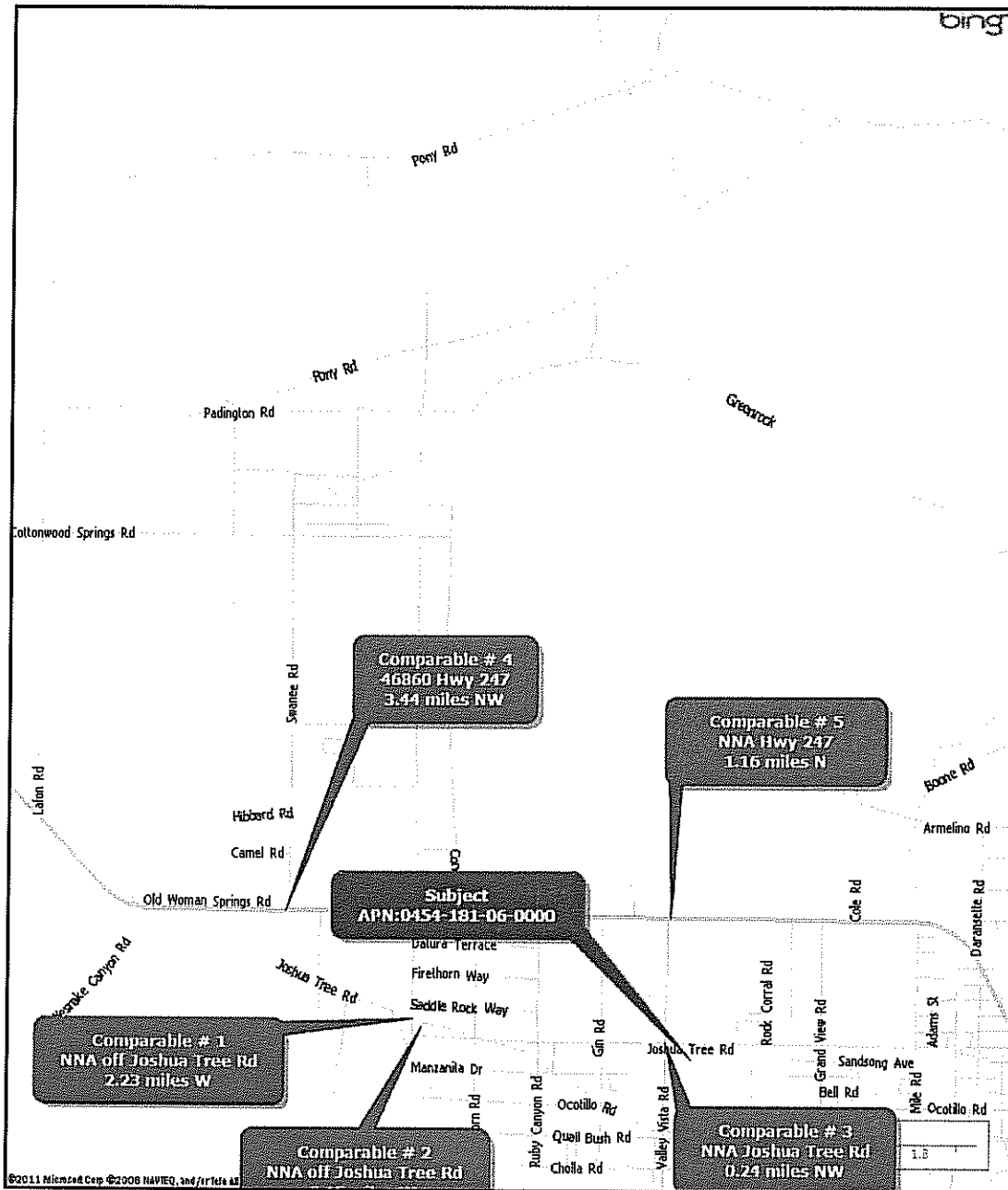
Plat Map

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				



Location Map

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				

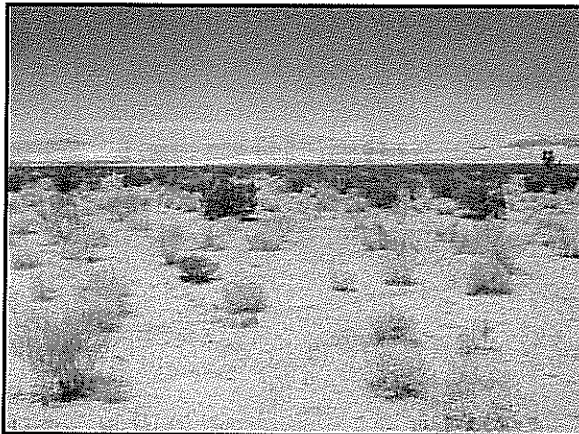


Subject Photo Page

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				

**Subject**

APN:0454-181-06-0000
Sales Price n/a
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location 4575 J6/Dirt Rd
View Avg / 5.00 AC
Site
Quality
Age 23 yrs

**Subject****Subject Street**

Subject Photo Page

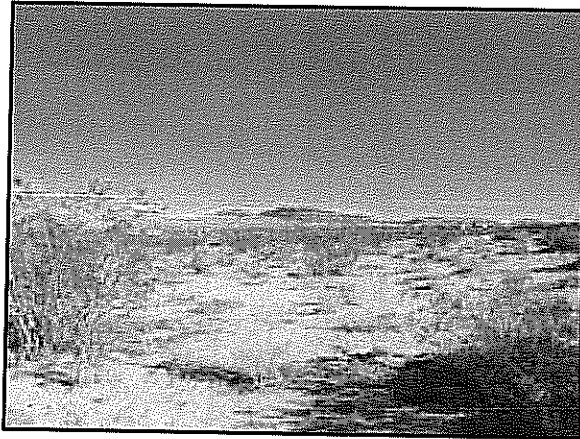
Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				

**street other direction**

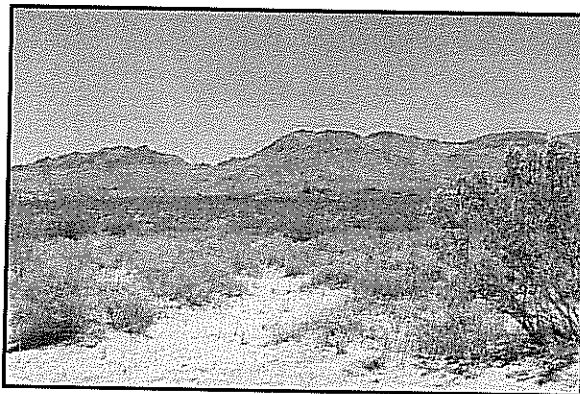
APN:0454-181-06-0000
 Sales Price n/a
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location 4575 J6/Dirt Rd
 View Avg / 5.00 AC
 Site
 Quality
 Age 23 yrs

Comparable Photo Page

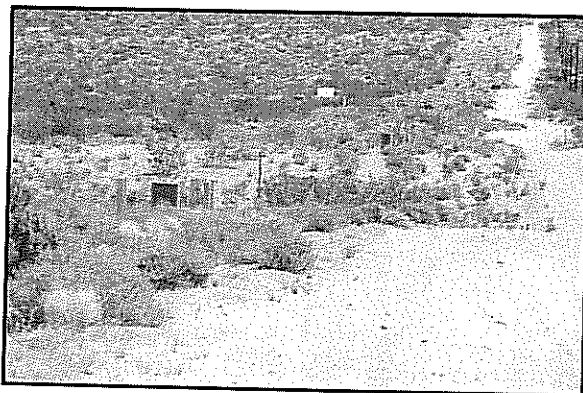
Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca
Lender	Client: Marina West for BDVWD	Zip Code	92285		

**Comparable 1**

NNA off Joshua Tree Rd
Prox. to Subject 2.23 miles W
Sales Price 2,000
Gross Living Area 1,100
Total Rooms 6
Total Bedrooms 3
Total Bathrooms 2
Location 4575 C5/Dirt Rd
View Avg / 2.5 AC
Site 0.4477 AC
Quality Average
Age 34 yrs

**Comparable 2**

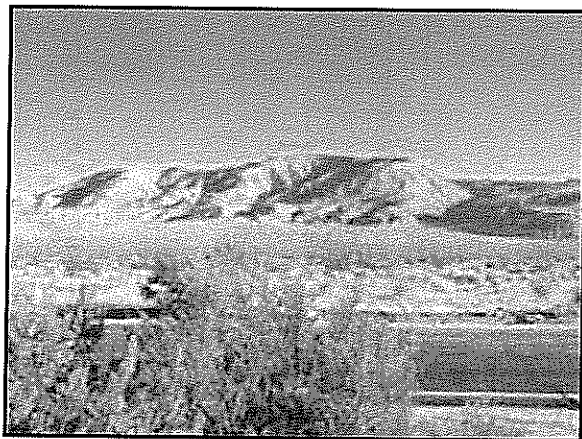
NNA off Joshua Tree Rd
Prox. to Subject 2.15 miles W
Sales Price 3,500
Gross Living Area 1,476
Total Rooms 5
Total Bedrooms 2
Total Bathrooms 2
Location 4575 C5/Dirt Rd
View Avg / 2.5 AC
Site 0.4191 AC
Quality Average
Age 32 yrs

**Comparable 3**

NNA Joshua Tree Rd
Prox. to Subject 0.24 miles NW
Sales Price 9,000
Gross Living Area 1,400
Total Rooms 5
Total Bedrooms 2
Total Bathrooms 2
Location 4575 G5/dirt Rd
View Avg / 2.5 AC
Site 0.4422 AC
Quality Average
Age 33 yrs

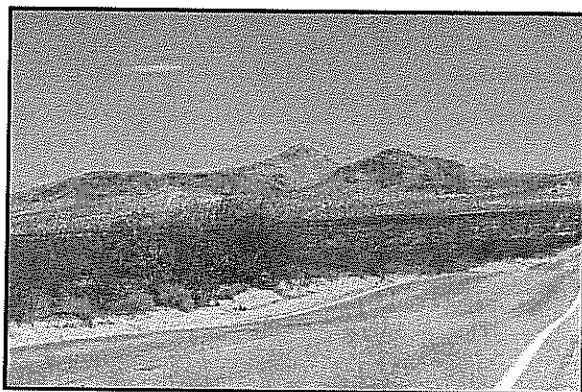
Comparable Photo Page

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				



Comparable 4

46860 Hwy 247
 Prox. to Subject 3.44 miles NW
 Sales Price 8,000
 Gross Living Area 1494
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2
 Location 4574 J4/Paved Rd
 View Avg / 2.5 AC
 Site 0.50 AC
 Quality Average
 Age 7 yrs



Comparable 5

NNA Hwy 247
 Prox. to Subject 1.16 miles N
 Sales Price 15,000
 Gross Living Area 1165
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2
 Location 4575 G4 /Paved Rd
 View Avg /12.5 AC
 Site 0.3657 AC
 Quality Average
 Age 49 yrs

Comparable 6

Prox. to Subject
 Sales Price
 Gross Living Area 1322
 Total Rooms 5
 Total Bedrooms 2
 Total Bathrooms 2
 Location
 View
 Site 0.2014 AC
 Quality Average
 Age 40 yrs

Borrower/Client	None	File No.
Property Address	APN:0454-181-06-0000	
City	Johnson Valley	County San Bernardino State Ca Zip Code 92285
Lender	Client: Marina West for BDVWD	

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

- ☐ **Self Contained** (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
☐ **Summary** (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
☒ **Restricted Use** (A written report prepared under Standards Rule 2-2(c), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use by the specified client or intended user.)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).
- Unless otherwise indicated, I have performed no services regarding the subject property within the prior three years, as an appraiser or in any other capacity.

Comments on Appraisal and Report Identification

Note any USPAP related issues requiring disclosure and any State mandated requirements:

None

APPRAISER:

Signature: John T. Boyd
 Name: John T. Boyd AG006627
 Designation: _____
 Date Signed: 06/23/2011
 State Certification #: AG006627
 or State License #: _____
 State: CA
 Expiration Date of Certification or License: 08/19/2012

Effective Date of Appraisal: 03/26/2011

SUPERVISORY APPRAISER (only if required):

Signature: _____
 Name: _____
 Designation: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

Supervisory Appraiser Inspection of Subject Property:

☐ Did Not ☐ Exterior-only from street ☐ Interior and Exterior

RESTRICTED APPRAISAL REPORT

DEFINITION OF MARKET VALUE ORDINARY ASSUMPTIONS AND LIMITING CONDITIONS CERTIFICATION

DEFINITION OF MARKET VALUE:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

ORDINARY ASSUMPTIONS AND LIMITING CONDITIONS:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. If the appraiser has provided a sketch in the appraisal report, the sketch shows approximate dimensions and is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. If the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report that the subject site is (or is not) located in an identified Special Flood Hazard Area, as the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless required to do so by a court.
5. The appraiser has noted in the appraisal report any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
7. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
8. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
9. I have agreed to enter into this assignment requested by the client named in the report for the use specified by the client which is stated in the report, which calls for things that are different from the work that would otherwise be required by the specific guidelines of the USPAP. **The client has agreed that the performance of this limited appraisal service is appropriate for their intended use.**

CERTIFICATION:

I certify that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report, and I have no (or the specified) personal interest or bias with respect to the parties involved.
- my compensation is not contingent upon reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Practice.
- I have (or have not) as indicated on the report made a personal inspection of the property that is the subject of this report. If more than one person has signed the report, each person has indicated on the report whether they did or did not make an inspection of the appraised property.
- unless otherwise indicated below, no one provided me with significant professional assistance in the completion of this appraisal assignment.

This is for a land appraisal only

SUPERVISORY APPRAISER'S CERTIFICATION:

If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications, and am taking full responsibility for the appraisal and the appraisal report.

APPRAISER:


Signature: John T. Boyd
 Name: John T. Boyd AG006627
 Date Signed: 06/23/2011
 State Cert./License #: AG006627
 State: CA
 Exp. Date of Certification or License: 08/19/2012
 I ☒ did ☐ did not inspect the subject property.

SUPERVISORY APPRAISER:

Signature: _____
 Name: _____
 Date Signed: _____
 State Cert./License #: _____
 State: _____
 Exp. Date of Certification or License: _____
 I ☐ did ☐ did not inspect the subject property.

license

Borrower/Client	None				
Property Address	APN:0454-181-06-0000				
City	Johnson Valley	County	San Bernardino	State	Ca Zip Code 92285
Lender	Client: Marina West for BDVWD				

 <p>Business, Transportation & Housing Agency OFFICE OF REAL ESTATE APPRAISERS REAL ESTATE APPRAISER LICENSE</p>		<p>OREA APPRAISER IDENTIFICATION NUMBER AG006627</p> <p>JOHN T. BOYD</p>
<p>has successfully met the requirements for a license as a general real estate appraiser in the State of California and is, therefore, entitled to use the title "Certified General Real Estate Appraiser".</p> <p>This license has been issued in accordance with the provisions of the Real Estate Appraisers' Licensing and Certification Law.</p>		
<p><i>Parlier</i></p>		<p>OFFICE OF REAL ESTATE APPRAISERS</p> <p><i>Bob Clark</i></p> <p>Date Issued: August 20, 2010 Date Expires: August 19, 2012</p>

THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD UP TO LIGHT TO SEE "SAFE" AND "VERIFY FIRST"