


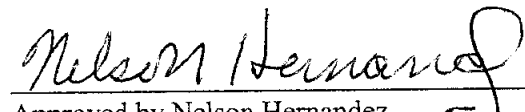


# City of Carson Report to Mayor and City Council

October 7, 2014  
New Business Discussion

**SUBJECT: CONSIDER ENTERING INTO A PURCHASE AND SALE AGREEMENT WITH CARSON CHRISTIAN OUTREACH AND SCHOOL, FOR THE ACQUISITION OF PROPERTY LOCATED AT 21828 AVALON BOULEVARD FOR DEVELOPMENT OF A PASSIVE PARK**

  
Submitted by Barry M. Waite  
Acting Director of Community Development

  
Approved by Nelson Hernandez  
City Manager

## **I. SUMMARY**

The City of Carson (City) is being asked to enter into a Purchase and Sale Agreement (PSA) (Exhibit No. 1) with Carson Christian Outreach and School (Seller) to purchase an approximately 0.23-acre property located at 21828 Avalon Boulevard, Carson, CA (Site) (Exhibit No. 2). The purchase price of \$911,000.00 is based on a highest and best use fair market appraisal. This proposal is being made at the request of Mayor Dear.

## **II. RECOMMENDATION**

TAKE the following actions:

1. APPROPRIATE \$931,000.00 from the unassigned general fund balance to account number 01-99-999-004-8012/01079 to cover the purchase price and estimated closing costs.
2. APPROVE the Purchase and Sale Agreement by and between the City and Seller.
3. AUTHORIZE the Mayor to execute the Purchase and Sale Agreement following approval as to form by the City Attorney.

## **III. ALTERNATIVES**

1. MODIFY and APPROVE the Purchase and Sale Agreement as the Council may deem necessary.
2. TAKE another action the Council deems appropriate.

## **IV. BACKGROUND**

The City is being asked to enter into a PSA with the Seller to purchase the Site for future development of a passive park. A park would serve neighboring housing developments that do not have access to parks within walking distance.

Currently, the Site is surrounded by, a senior and family housing development directly to the north, a mobilehome park to the east, and a senior housing community less than a quarter mile away on 220<sup>th</sup> Street. Development of a passive park on the Site would allow the community, especially the senior

community, access to a park facility within walking distance.

Once the Site is purchased the City will demolish the existing structures. The City will also work on park development with the owner of the adjacent Renaissance community, who has expressed a desire to assist the City with development as well as future ongoing maintenance of the park. In addition, although the park will provide a significant benefit to the Renaissance, the park will be open to the general public.

The purchase price of \$911,000.00 for the Site is based on an independent highest and best use fair market appraisal by Eichel, Inc. The City would also be responsible for its closing costs which are estimated at a not-to-exceed amount of \$20,000.00.

**V. FISCAL IMPACT**

Upon approval, the City will pay the Agency \$911,000.00 to acquire the Site and \$20,000.00 for estimated closing costs. This item is not included in the proposed general fund budget for FY 2014/15; hence, \$931,000.00 needs to be appropriated from the unassigned general fund balance to account number 01-99-999-004-8012/01079. The unassigned general fund balance at June 30, 2014 is estimated at \$5,880,163.00. The final amount will be determined at the conclusion of the year end audit.

**VI. EXHIBITS**

1. Purchase and Sale Agreement. (pgs. 3-20)
2. Site map. (pg. 21)

Prepared by: Amelia Soto, Acting Project Manager

TO: Rev07-02-2014

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

**Action taken by City Council**

Date\_\_\_\_\_ Action\_\_\_\_\_

AGREEMENT FOR PURCHASE AND SALE  
OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS ("Agreement") is made this 7th day of October, 2014 by and between the City of Carson, a municipal corporation ("Buyer") and Carson Christian Outreach and School, Inc. ("Seller").

RECITALS:

A. Seller is acquiring that certain real property located in the City of Carson, County of Los Angeles, State of California, located at 21828 Avalon , Carson, CA 90810 (Assessor Parcel No.'s 7332-002-003), more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein together with all improvements now or hereafter constructed thereon ("Property").

B. Seller desires to sell the Property to Buyer upon the terms and conditions more particularly set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties hereto agree as follows:

TERMS AND CONDITIONS

1. PURCHASE AND SALE OF PROPERTY.

Buyer hereby agrees to purchase from Seller, and Seller agrees to sell to Buyer the Property upon the terms and conditions hereinafter set forth.

2. OPENING OF ESCROW.

Within five (5) days after the execution of this Agreement by both Buyer and Seller, the parties shall open an escrow (Escrow) with Fidelity National Title Insurance Company (Escrow Holder) by causing an executed copy of this Agreement to be deposited with Escrow Holder. Escrow shall be deemed open on the date the executed Agreement is delivered to Escrow Holder (Opening of Escrow).

3. PURCHASE PRICE.

3.1 Amount of Purchase Price and Closing Costs.

The purchase price for the Property shall be an amount not to exceed Nine Hundred Eleven Thousand Dollars (\$911,000.00) ("Purchase Price").

EXHIBIT NO 01



### 3.1.1 Waiver and Release.

The Purchase Price to be paid by Buyer to Seller is all-inclusive of Seller's interest in the Property and all damages of every kind and nature suffered, or to be suffered as a result of Buyer's acquisition of the Property for public purposes. By execution of this Agreement, Seller and its successors and assigns shall be deemed to have knowingly and voluntarily waived, released and discharged Buyer from liability and responsibility for or related to any right Seller has, has had or in the future may have to any claim for compensation or damages or liability of any kind, whether known, unknown, foreseen or unforeseen, relating in any way to or arising out of Buyer's acquisition of the Property. In that regard, Seller and its successors and assigns knowingly and voluntarily waive and release Buyer, its employees, agents and officers from liability as to the following: and any rights or obligations which exist or may arise out of the acquisition of the Property for public purposes including, without limitation, Seller's fee interest in the land, severance damages, relocation expenses or damages, loss of business goodwill and/or lost profits, loss or impairment of any "bonus value" attributable to any lease; damage to or loss of improvements pertaining to realty, costs, interest, attorneys' fees, and any claim whatsoever of Seller which might arise out of or relate to any respect to the acquisition of the Property by Buyer.

### 3.2 Payment of Purchase Price.

On the day preceding Close of Escrow, Buyer shall deposit the Purchase Price with Escrow Holder in "Good Funds." Good Funds shall mean a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California, or cash. Escrow Holder shall disburse the cash amount of the Purchase Price to Sellers' Lender after recordation of the Grant Deed (substantially in the form attached hereto as Exhibit "B") transferring title to the Property to Buyer.

## 4. ADDITIONAL FUNDS AND DOCUMENTS REQUIRED FROM BUYER AND SELLER.

### 4.1 Buyer.

Buyer agrees that on or before 12:00 noon on the date preceding the Closing Date, Buyer will deposit with Escrow Holder all additional funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Agreement.

### 4.2 Seller.

Seller agrees that on or before 12:00 noon on the day preceding the Closing Date, Seller will deposit with Escrow Holder the executed and recordable Grant Deed conveying the Property to Buyer, together with such funds and other items and instruments as may be necessary in order for the Escrow Holder to comply with this Agreement. Escrow Holder will cause the Grant Deed to be recorded when (but in no event after the date specified in Section 5.1 below) it can issue the Title Policy in the form described in Section 7 below, and holds for the account of Seller the items described above to be delivered to Seller through Escrow, less costs, expenses and disbursements chargeable to Seller pursuant to the terms hereof.



5. CLOSING DATE; TIME IS OF ESSENCE.

5.1 Closing Date.

Escrow shall close after expiration of all leases affecting the Property and after all tenants have vacated the Property, but no later than one hundred eighty (180) days after the opening of escrow ("Closing Date") unless otherwise extended as evidenced by a writing signed by both parties. The terms "Close of Escrow" and/or "Closing" are used herein to mean the time Seller's Grant Deed is filed for recording by the Escrow Holder in the Office of the County Recorder of Los Angeles County, California.

5.2 Leases and Tenants.

It is the Sellers responsibility to provide the Property free and clear of all leases and tenants. The Closing shall not occur until the Property has been vacated by all tenants and all leases have expired.

5.3 Possession.

Upon the Close of Escrow, exclusive possession and occupancy of the Property shall be delivered to Buyer. Seller shall remove all personal property and debris from the Property prior to relinquishing the Property to Buyer.

5.4 Time is of Essence.

Buyer and Seller specifically understand that time is of the essence and Buyer and Seller specifically agree to strictly comply and perform their obligations herein in the time and manner specified and waive any and all rights to claim such compliance by mere substantial compliance with the terms of this Agreement.

6. TITLE POLICY.

6.1 Approval of Title.

(a) Promptly following execution of this Agreement but in no event later than five (5) days following Opening of Escrow, Seller shall provide Buyer with a preliminary title report issued through Fidelity National Title Company ("Title Company"), describing the state of title of the Property, together with copies of all exceptions specified therein and a map plotting all easements specified therein ("Preliminary Title Report"). Buyer shall notify Seller in writing ("Buyer's Title Notice") of Buyer's approval of all matters contained in the Preliminary Title Report or of any objections Buyer may have to title exceptions or other matters ("Disapproved Exceptions") contained in the Preliminary Title Report within fifteen (15) days after Buyer's receipt of the Preliminary Title Report.

(b) In the event Buyer delivers Buyer's Title Notice within said period, Seller shall have a period of ten (10) days after receipt of Buyer's Title Notice in which to notify Buyer of Seller's election to either (i) agree to attempt to remove the Disapproved Exceptions prior to the Close of Escrow; or (ii) decline to remove any such Disapproved Exceptions ("Seller's



Notice"). If Seller notifies Buyer of its election to decline to remove the Disapproved Exceptions, or if Seller is unable to remove the Disapproved Exceptions, Buyer may elect either to terminate this Agreement and the Escrow or to accept title to the Property subject to the Disapproved Exception(s). Buyer shall exercise such election by delivery of written notice to Seller and Escrow Holder within five (5) days following the earlier of (i) the date of written advice from Seller that such Disapproved Exception(s) cannot be removed; or (ii) the date Seller declines to remove such Disapproved Exception(s).

(c) Upon the issuance of any amendment or supplement to the Preliminary Title Report which adds additional exceptions, the foregoing right of review and approval shall also apply to said amendment or supplement, provided, however, that Buyer's initial period of review and approval or disapproval of any such additional exceptions shall be limited to ten (10) days following receipt of notice of such additional exceptions.

(d) Nothing to the contrary herein withstanding, Buyer shall be deemed to have automatically objected to all deeds of trust, mortgages, judgment liens, federal and state income tax liens, delinquent general and special real property taxes and assessments and similar monetary encumbrances affecting the Property, and Seller shall discharge any such non-permitted title matter of record prior to or concurrently with the Close of Escrow.

## 6.2 Title Policy.

At the Close of Escrow, the Escrow Holder shall furnish Buyer with an ALTA Owner's Extended Policy of Title Insurance ("Title Policy") for the Buyer's interest, wherein the Title Company shall insure that title to the Property shall be vested in Buyer, containing no exception to such title which has not been approved or waived by Buyer in accordance with this Section. The cost of the Title Policy to Seller shall be paid by Buyer. The Title Policy shall include any available title insurance, extended coverage or endorsements that Buyer has reasonably requested.

## 7. DUE DILIGENCE.

### 7.1 Scope of Due Diligence.

Upon the opening of Escrow Seller, shall provide Buyer with any and all documents and information in Seller's possession and knowledge concerning the Property, and Buyer shall have the right to require Seller to provide an analysis of the Property consisting of such engineering, feasibility studies, soils tests, environmental studies and other investigations as Buyer in its sole discretion may desire, to permit Buyer to determine the suitability of the Property for Buyer's contemplated uses and to conduct such other review and investigation which Buyer deems appropriate to satisfy itself to acquire the Property. Buyer shall further have the right to make an examination of all licenses, permits, authorizations, approvals and governmental regulations which affect the Property, including zoning and land use issues and conditions imposed upon the Property by governmental agencies. Upon the execution of this Agreement by both parties, Seller shall make available to Buyer true, correct and complete copies of all contracts which relate to the Property (together with any amendments or modifications thereto), and all reports in Seller's possession respecting the physical condition of the Property, if any, and any other



information in Seller's possession or control reasonably requested by Buyer regarding the Property.

Seller's failure to provide Buyer with a complete copy of each document required to be delivered to Buyer pursuant to this Section shall automatically toll the Buyer's Due Diligence Notice one day for each day or partial day beyond the three days described above that Seller fails to satisfy its obligations set forth in this Section.

The documents that Seller shall make available to Buyer include, but are not limited to, true, correct and complete copies of:

(a) All leases, rental agreements, service contracts, and other agreements pertaining to the use or operation of the Property.

(b) All documents relating to or evidencing the condition of any building or structure on the Property, including records of repairs and maintenance and any complaints regarding the condition of any building or structure.

#### 7.2 Approval of Due Diligence Matters.

Buyer shall notify Seller in writing ("Buyer's Due Diligence Notice") no later than forty-five (45) days after the effective date, of Buyer's approval or disapproval of the condition of the Property and Buyer's investigations with respect thereto (excluding title matters which are to be approved or disapproved pursuant to Section 7.1 above), which approval may be withheld in Buyer's sole and absolute discretion. Buyer's failure to deliver Buyer's Due Diligence Notice on or before the Due Diligence Date shall be conclusively be deemed Buyer's disapproval thereof. Buyer's disapproval or deemed disapproval of said matters shall automatically terminate this Agreement.

### 8. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

#### 8.1 Conditions to Buyer's Obligations.

The obligations of Buyer under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent:

(a) Title Company will issue the Title Policy as required by Section 7 of this Agreement insuring title to the Property vested in Buyer.

(b) Buyer has approved in writing the condition to title of the Property on or before the date provided in Section 7.1 above.

(c) Buyer has approved in writing the Phase I ESA and all Due Diligence matters on or before the Due Diligence Date.

(d) Escrow Holder holds and will deliver to Buyer the instruments and funds, if any, accruing to Buyer pursuant to this Agreement.



- (e) Seller has deposited the executed and recordable Grant Deed into Escrow.
- (f) Seller has deposited its half of the Escrow fees.

## 8.2 Conditions to Seller's Obligations.

The obligations of Seller under this Agreement shall be subject to the satisfaction or written waiver, in whole or in part, by Seller of the following conditions precedent:

- (a) Escrow Holder holds and will deliver to Seller the instruments and funds accruing to Seller pursuant to this Agreement.
- (b) Timely performance by Buyer of all of the obligations required by the terms of this Agreement to be performed by Buyer.
- (c) Buyer has deposited its half of the Escrow fees.

## 9. REPRESENTATIONS AND WARRANTIES.

### 9.1 General Representations and Warranties.

Seller hereby makes the following representations and warranties to Buyer, each of which is true in all respects as of the date hereof and shall be true in all respects on the date of Close of Escrow on the Property:

(a) There are no natural or environmental hazards located on the Property that would limit its marketability, merchantability, or suitability for development or impede its use in any way.

(b) To the best of Seller's knowledge and understanding the Property is not in violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to the environmental conditions on, under or about the Property including, but not limited to, soil and ground water conditions. Seller has received no written notice from any third parties, prior owners of the Property, or any federal, state or local governmental agency indicating that any hazardous waste remedial or clean-up work will be required on the Property. To the best of Seller's knowledge, there are no environmental, health or safety hazards on, under or about the Property, including but not limited to soil and groundwater conditions. Neither Seller, nor to the best of Seller's knowledge any third party (including but not limited to Seller's predecessors in title to the Property), has used or installed any underground tank, or used, generated, manufactured, treated, stored, placed, deposited or disposed of on, under or about the Property or transported to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials ("Hazardous Materials," which for the purpose of this Agreement shall include, but shall not be limited to, substances defined as "hazardous substances, hazardous materials or toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 USC Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 USC Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 USC Section 6901, et seq.; those substances defined as "hazardous wastes" in Section 25117 of the California Health & Safety Code or as "hazardous



substances" in Section 25316 of the California Health & Safety Code; and those chemicals known to cause cancer or reproductive toxicity, as published pursuant to the Safe Drinking Water and Toxic Enforcement Act of 1986, Section 25249.5, et seq., of the California Health & Safety Code; and in the regulations adopted and publications promulgated pursuant to each of the aforesaid laws).

(c) There are no contracts, leases, claims or rights affecting the Property and no agreements entered into by or under Seller which shall survive the Close of Escrow that would adversely affect Buyer's rights with respect to the Property except as heretofore disclosed in writing by Seller to Buyer.

(d) Seller has received no written notice from any third parties, prior owners of the Property, of any federal, state or local governmental agency, indicating that any hazardous waste remedial or clean-up work will be required on the Property.

(e) There are no casements or encroachments onto the Property by buildings or improvements on any adjoining property, nor do any buildings or improvements on the Property encroach on other properties.

(f) Seller is not a foreign person as defined in Internal Revenue Code Section 1445(f)(3).

(g) Until the Closing, Seller shall not do anything which would impair Seller's title to any of the Property.

(h) All utilities, including gas, electricity, water, sewage, and telephone, are available at the Property, and all such items are in good working order.

(i) Until the Closing, if Seller learns of any fact or condition which would cause any of the warranties and representations in this Section not to be true as of the Closing, Seller shall immediately give written notice of such fact or condition to Buyer.

(j) Seller has the unimpeded power and authority to execute, deliver and perform Seller's obligations under this Agreement and the documents executed and delivered by Seller pursuant hereto.

(k) Seller hereby represents, warrants and covenants to Buyer that Seller shall deliver exclusive possession of the Property to Buyer upon Close of Escrow.

(l) Hazardous Waste.

Neither Seller nor, to the best of Seller's knowledge, any previous owner, tenant, occupant, or user of the Property used, generated, released, discharged, stored, or disposed of any hazardous waste, toxic substances, or related materials (Hazardous Materials) on, under, in, or about the Property, or transported any Hazardous Materials to or from the Property. Seller shall not cause or permit the presence, use, generation, release, discharge, storage, or disposal of any Hazardous Materials on, under, in, or about, or the transportation of any Hazardous Materials to or from, the Property. The term "Hazardous Material" shall mean any substance, material, or



waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) asbestos, (vii) polychlorinated biphenyls, (viii) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ix) designated as a "Hazardous substances" pursuant to Section 311 of the Clean Water Act, (33 U.S.C. § 1317), (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et. seq. (42 U.S.C. § 6903) or (xi) defined as a "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, as amended by Liability Act, 42. U.S.C. § 9601 et. seq. (42 U.S.C. § 9601.)

## 9.2 Compliance with Environmental Laws.

To the best of Seller's knowledge the Property complies with all applicable laws and governmental regulations including, without limitation, all applicable federal, state, and local laws pertaining to air and water quality, hazardous waste, waste disposal, and other environmental matters, including, but not limited to, the Clean Water, Clean Air, Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation Recovery and Comprehensive Environmental Response Compensation and Liability Acts, and the California Environment Quality Act, and the rules, regulations, and ordinances of the city within which the subject property is located, the California Department of Health Services, the Regional Water Quality Control Board, the State Water Resources Control Board, the Environmental Protection Agency, and all applicable federal, state, and local agencies and bureaus.

## 9.3 Survival of Representations and Warranties of Seller.

The representations and warranties provided in Section 9 shall survive the Closing and delivery of the Grant Deed and shall not be affected by any investigation, verification or approval by either Party or by anyone on behalf of either Party.

## 9.4 Breaches of Representations and Warranties.

If a breach of a representation or warranty occurs before Closing and the Party adversely affected by the breach is aware that such a breach has occurred, the breach shall be grounds to terminate this Agreement. However, if the Party adversely affected by the breach is aware of the breach of a representation or warrant before Closing and allows the Closing to occur, that Party waives its opportunity to object to such breach and the breach shall not serve as the grounds for



any remedy. To the contrary, if the breach of a representation or warranty occurs before Closing and the Party adversely affected by the breach does not know of the breach at the time of Closing, the liability of the breaching Party will survive Closing.

Moreover, Seller agrees to indemnify, defend with counsel selected by Buyer, protect and hold harmless Buyer, its officers, employees and agents from and against all claims, damages, costs, liabilities and expenses of any kind whatsoever paid, incurred or suffered by or asserted against the Property or any indemnified party directly or indirectly arising from or attributable to: (i) any breach by Seller of any of its agreement warranties or representations set forth in this Agreement, (ii) any amounts expended by Buyer to secure exclusive possession free of any occupant, or (iii) any amounts expended by Buyer to secure or have removed any tenants or occupants not disclosed herein.

## 10. ESCROW PROVISIONS.

### 10.1 Escrow Instructions.

This Agreement, when signed by Buyer and Seller, shall also constitute escrow instructions to Escrow Holder. If required by Escrow Holder, Buyer and Seller agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail.

### 10.2 General Escrow Provisions.

Escrow Holder shall deliver the Title Policy to the Buyer and instruct the Los Angeles County Recorder to mail the Grant Deed to Buyer at the address set forth in Section 15 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Los Angeles County, California, and may be disbursed to any other general escrow account or accounts. All disbursements shall be according to that party's instructions. This Agreement and any modifications, amendments, or supplements thereto may be executed in counterparts and shall be valid and binding as if all of the parties' signatures were on one document.

### 10.3 Proration of Real Property Taxes.

All nondelinquent general and special real property taxes shall be prorated to the Close of Escrow on the basis of a thirty (30) day month and a three hundred sixty (360) day year. In the event that property taxes are assessed on a parcel of real property which includes land other than the Property, such proration shall include only taxes attributable to the Property, calculated in terms of total gross square feet of land assessed pursuant to the tax statement versus total gross square footage of the Property.

### 10.4 Payment of Costs.

Buyer shall pay documentary transfer taxes, the premium charges for the standard ALTA Seller's Extended Title Policy and any non-standard coverage requested by Buyer, the charges



for drawing and recording the Grant Deed, and one half of the Escrow fees with Seller paying the other half.

#### 10.5 Termination and Cancellation of Escrow.

If Escrow fails to close as provided above, Escrow shall terminate automatically without further action by Escrow Holder or any party, and Escrow Holder is instructed to return all funds and documents then in Escrow to the respective depositor of the same with Escrow Holder. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Seller may have against each other arising from the Escrow or this Agreement.

#### 10.6 Information Report.

Escrow Holder shall file and Buyer and Seller agree to cooperate with Escrow Holder and with each other in completing any report ("Information Report") and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045(e) regarding the real estate sales transaction contemplated by this Agreement, including without limitation, Internal Revenue Service Form 1099-B as such may be hereinafter modified or amended by the Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. Buyer and Seller also agree that Buyer and Seller, their respective employees and attorneys, and escrow Holder and its employees, may disclose to the Internal Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transactions contemplated herein as such party reasonably deems to be required to be disclosed to the Internal Revenue Service by such party pursuant to Internal Revenue Code Section 6045(e), and further agree that neither Buyer nor Seller shall seek to hold any such party liable for the disclosure to the Internal Revenue Service of any such information.

#### 10.7 Brokerage Commissions.

Buyer and Seller each represent and warrant to the other that no third party is entitled to a broker's commission and/or finder's fee with respect to the transaction contemplated by this Agreement. Buyer and Seller each agree to indemnify and hold the other parties harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay a broker's commission and/or finder's fee.

#### 11. RISK OF PHYSICAL LOSS.

Risk of physical loss to the Property shall be borne by Seller prior to the Close of Escrow and by Buyer thereafter. In the event that the Property shall be damaged by fire, flood, earthquake or other casualty Buyer shall have the option to terminate this Agreement, provided notice of such termination is delivered to Seller within twenty (20) days following the date Buyer learns of the occurrence of such casualty. If Buyer fails to terminate this Agreement pursuant to the foregoing sentence within said twenty (20) day period, Buyer shall complete the acquisition of the Property, in which case Seller shall assign to Buyer the interest of Seller in all insurance proceeds relating to such damage (subject to the rights of tenants under leases of the Property). Seller shall consult with Buyer regarding any proposed settlement with the insurer and Buyer



shall have the reasonable right of approval thereof. Seller shall hold such proceeds until the Close of Escrow. In the event this Agreement is terminated for any reason, Buyer shall have no right to any insurance proceeds.

12. NON COLLUSION.

No official, officer, or employee of the Agency has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the Agency participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or "non interest" pursuant to California Government Code Sections 1091 and 1091.5. Seller warrants and represents that (s)he/it has not paid or given, and will not pay or give, to any third party including, but not limited to, and Agency official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Seller further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Agency official, officer, or employee, as a result or consequence of obtaining or being awarded any agreement. Seller is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

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

13. ASSIGNMENT.

Neither party shall have the right to assign this Agreement or any interest or right hereunder or under the Escrow without the prior written consent of the other party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, personal representatives, successors and assigns.

14. ATTORNEYS' FEES.

In any action between the parties hereto, seeking enforcement of any of the terms and provisions of this Agreement or the Escrow, or in connection with the Property, the prevailing party in such action shall be entitled, to have and to recover from the other party its reasonable attorneys' fees and other reasonable expenses in connection with such action or proceeding, in addition to its recoverable court costs.

15. NOTICES.



Any notice which either party may desire to give to the other party or to the Escrow Holder must be in writing and may be given by personal delivery or by mailing the same by registered or certified mail, return receipt requested, to the party to whom the notice is directed at the address of such party hereinafter set forth, or such other address and to such other persons as the parties may hereafter designate:-

To Seller: Carson Christian Outreach and School  
21828 Avalon Blvd.  
Carson, CA 90745  
Attention: Thomas Alexander

To Buyer: City of Carson  
701 E. Carson Street  
Carson, California 90745  
Attention: City Manager

Copy To: Aleshire & Wynder, LLP  
18881 Von Karman Avenue, Suite 1700  
Irvine, California 92612  
Attention: William Wynder, Esq.

16. INTERPRETATION; GOVERNING LAW.

This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

17. NO WAIVER.

No delay or omission by either party in exercising any right or power accruing upon the compliance or failure of performance by the other party under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of a breach of any of the covenants, conditions or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

18. MODIFICATIONS.

Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto.



19. SEVERABILITY.

If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provisions, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

20. MERGER OF PRIOR AGREEMENTS AND UNDERSTANDINGS.

This Agreement and other documents incorporated herein by reference contain the entire understanding between the parties relating to the transaction contemplated hereby and all prior to contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein and shall be of no further force or effect.

21. NO WITHHOLDING BECAUSE NON-FOREIGN SELLER.

Seller represents and warrants to Buyer that Seller is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to Buyer on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

22. EXECUTION IN COUNTERPARTS.

This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Purchase and Sale of Real Property and Escrow Instructions as of the date set forth above.

“SELLER”:

CARSON CHRISTIAN OUTREACH AND  
SCHOOL

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

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

“BUYER”:

CITY OF CARSON

By: \_\_\_\_\_  
Mayor Jim Dear

ATTEST:

\_\_\_\_\_  
City Clerk Donesia L. Gause, CMC

APPROVED AS TO FORM:

Aleshire & Wynder, LLP

\_\_\_\_\_  
City Attorney



EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN IS SITUATED IN THE CITY OF CARSON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:



EXHIBIT "B"

GRANT DEED

FREE RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City of Carson  
701 E. Carson Street  
Carson, California 90745  
Attn: City Manager

(Space Above This Line for Recorder's Office Use Only)  
(Exempt from Recording Fee per Gov. Code § 6103)

GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, CARSON CHRISTIAN OUTREACH AND SCHOOL ("Grantor"), hereby grants to the CITY OF CARSON ("Grantee"), that real property in the City of Carson, County of Los Angeles, State of California, as more particularly described as 21828 Avalon Blvd., Carson, CA which is also known as Assessor's Parcel Number 7332-002-003.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf by its respective officers or agents hereunto as of the date first above written.

"GRANTOR"

CARSON CHRISTIAN SCHOOL AND  
OUTREACH

Date: \_\_\_\_\_

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

Its: \_\_\_\_\_



STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF                                )

On \_\_\_\_\_, 201\_\_, before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on  
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF                                )

On \_\_\_\_\_, 201\_\_, before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on  
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)



# VICINITY MAP



21828 Avalon Blvd.

EXHIBIT NO 02

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