

**PLACER COUNTY**  
**REDEVELOPMENT AGENCY**

**MEMORANDUM**

**TO:** Honorable Members of the Redevelopment Agency Board  
**FROM:** Rich Colwell, Redevelopment Director  
James LoBue, Deputy Director *RSColwell*  
**DATE:** July 20, 2009  
**SUBJECT:** Adopt a Resolution Authorizing the Purchase of the Following Parcels from George Carl Everett, Jr. and Andrea Cecille Everett, Trustees of the Everett Family Revocable Trust for \$1,884,000 plus up to \$25,000 of closing costs: Lots 36 Through 40 Located at 8716 and 8720 North Lake Boulevard (Assessor's Parcel Numbers (APNs) 090-142-001 and 090-142-002), Lots 103 and 104 Located at 8723 Brockway Vista Avenue (APN 090-142-011), and Lots 105 Through 107 Located at 8717 Brockway Vista Avenue (APN 090-142-012); Authorize the Redevelopment Director or Designee to Sign all Related Documents; Add the Properties to the Redevelopment Agency's Master Fixed Asset List; and Approve California Health and Safety Code Section 33445 Findings to Authorize the Utilization of Tax Increment Proceeds and Tax Allocation Bonds, 2006 Series A for the Acquisition of the Real Property.

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**ACTION REQUESTED**

Adopt a resolution authorizing the purchase of the following parcels from George Carl Everett, Jr. and Andrea Cecille Everett, trustees of the Everett Family Revocable Trust for \$1,884,000 plus up to \$25,000 of closing costs: lots 36 through 40 located at 8716 and 8720 North Lake Boulevard (APNs 090-142-001 and 090-142-002), lots 103 and 104 located at 8723 Brockway Vista Avenue (APN 090-142-011), and lots 105 through 107 located at 8717 Brockway Vista Avenue (APN 090-142-012); authorize the Redevelopment Director or designee to sign all related document; add the properties to the Redevelopment Agency's master fixed asset list; and approve California Health and Safety Code Section 33445 findings to authorize the utilization of tax increment proceeds and Tax Allocation Bonds, 2006 Series A for the acquisition of real property.

**BACKGROUND**

On April 21, 2009, your Board authorized the Redevelopment Agency (Agency) to take several actions regarding negotiating the purchase of lots 36 thru 40 located at 8716 and 8720 North Lake Boulevard (APNs 090-142-001 and 090-142-002), lots 103 and 104 located at 8723 Brockway Vista Avenue (APN 090-142-011), and lots 105 thru 107 located at 8717 Brockway Vista Avenue (APN 090-142-012), in Kings Beach (Site). The Site is owned by George Carl Everett, Jr. and Andrea Cecille Everett, trustees of the Everett Family Revocable Trust (Seller). The Site consists

of nine (9) vacant parcels and is located on the south side of Highway 28/North Lake Boulevard, Kings Beach (see Attachment: Map).

The Agency has conducted extensive due diligence and is satisfied that purchase of the subject property meets redevelopment goals and objectives for the area. The negotiated purchase price is supported by a formal appraisal of the property. It is requested that the purchase be approved using the attached purchase agreement and the property be added to the Agency's Master Fixed Asset List. After acquisition, the Agency intends to fence the property and conduct a feasibility study for the Site. The Agency eventually intends to solicit developers, through the issuance of a Request for Proposal, who may have an interest in owning and/or developing all or a portion of this Site.

California Community Redevelopment Law (Health and Safety Code Section 33445) requires that your Board make certain findings for the purchase of land. First, a finding must be made that the purchase of land is of benefit to the North Lake Tahoe Redevelopment Project Area (Project Area) or the immediate neighborhood in which the Site is located. The purchase of the land will facilitate the removal of blighting influences and facilitate development of the Site to help prevent business district deficiencies. Second, a finding must be made that there are no other reasonable means of financing the acquisition. Staff has determined that there are no other sources of funding available at this time to facilitate Site acquisition. Finally, a finding must be made that acquisition of the Site will assist in the elimination of one or more blighting conditions inside the Project Area and is consistent with the Project Area Implementation Plan adopted pursuant to California Health and Safety Code Section 33490. The Site acquisition will support the overall revitalization of the surrounding commercial district and Kings Beach community. Assemblage will support modern, integrated development and will strengthen community and tourist-serving commercial areas by providing improved public parking and public improvements.

#### **ACQUISITION KEY ELEMENTS**

- **Price:** The agreed upon purchase price is \$1,884,000 plus escrow, closing, and transfer tax expenses up to \$25,000. The Agency negotiated for the property in an "As-Is" condition. The Site contains land coverage, commercial floor area, and development rights which are marketable commodities and may be held by the Agency for future development opportunities. The Seller will retain the right to one (1) Tourist Accommodation Unit (TAU) which was attributable to the Site. The TAU was not included within the value of the Site appraisal. The Agency has agreed to pay the Seller \$50,000 for the assignment and right to use several plans and studies commenced by the Seller including soil and hydrology reports. These reports will assist the Agency in conducting its feasibility analysis and will eliminate the need for the Agency to expend money to have the same studies prepared.
- **Environmental:** The site is believed to be free from any environmental contaminants as supported by a Phase One study dated July 11, 2008 and revised October 2008.
- **Due Diligence:** Staff has secured a preliminary title report. The Agency will obtain an ALTA title insurance policy and the appropriate environmental site assessment prior to closing. A summary appraisal was conducted on the Site that indicated a value of \$1,834,000 and the agreed upon purchase price is \$1,884,000, which includes the additional right of assignment

and use of plans and studies already commenced for the Site. The purchase agreement contains a feasibility period of 45 days from the effective date, to complete any remaining due diligence prior to Agency payment and property transfer.

- **Operational & Maintenance Expenses:** Upon acquisition, the Agency will incorporate the Site into its fixed asset list. The Agency will be responsible for maintenance of the Site until conveyed to a third-party. Adequate Agency funds have been budgeted for these activities. There are no existing structures on Site.
- **Right of First Offer:** The Seller has requested a Right of First Offer if the Agency desires to sell the Site. The Right of First Offer states that the Agency shall not transfer or agree to transfer the Site without first offering to sell the Site to the Seller. "Transfer" means any sale, transfer, or conveyance of all or any portion of the Site or Agency's interest in the Site with the exception of: (i) any transfer of the Site to the County of Placer, (ii) any transfer pursuant to a recorded instrument that requires the Property to be used solely for commercial development, mixed - used development, public parking, or a combination thereof and (iii) any lease, lease-back, mortgage, assignment or pledge or other transfer of the Agency's interest in all or any portion of the Site made by the Agency in order to secure financing for the acquisition, construction, development or use of the Site. The Right of First Offer shall expire July 31, 2011.
- **Fencing:** The Agency has agreed to install a boundary fence after close of escrow and provide the Seller with northern access to its property located on APN 090-140-012, lots 108 and 109, whose parcels are not included with this purchase transaction. The northern access shall consist of a double gate. Seller may elect to install perimeter fencing utilizing its own contractor. If Seller elects to install the fence, Agency and seller shall split the cost 50/50. The fencing work shall be subject to the payment of prevailing wages as determined pursuant to California Labor Code Section 1720 et seq. and the regulations adopted pursuant thereto.
- **Landscape Maintenance on Brockway Vista Avenue:** Both Parties agree that it is important to maintain the existing landscaping along Brockway Vista Avenue. The Agency shall maintain the water supply and sprinkler system to protect and maintain the landscaping and provide a visual screen.

#### **FISCAL IMPACT**

The total acquisition cost includes the purchase price in the amount of \$1,884,000 plus up to \$25,000 closing costs. The Agency's 2009/2010 budget has sufficient funds allocated to purchase the Site. There will be no impact to the County General Fund.

#### **ENVIRONMENTAL STATUS**

No development project is currently contemplated for the real property, nor do the proposed actions commit the Agency or your Board to a definite course of action. While the Agency anticipates that the Site will provide some sort of public benefit, such as a public parking lot and/or a combination of a parking lot and mixed use development, the viability of any of these development concepts must first be analyzed through a feasibility study. Thereafter, the Agency anticipates the issuance of an RFP to solicit actual development proposals and/or convey the

property to a third party. At such time as a development project is defined and proposed for the real property, it will be required to undergo the County's application and environmental review process. Therefore, the Board's present authorization of real property acquisition, adoption of findings, and related actions will not result in a direct or reasonably foreseeable indirect physical change in the environment (California Environmental Quality Act, Guidelines, Section 15060(c)). The proposed action is not a federal undertaking under National Environmental Policy Act guidelines.

**RECOMMENDATIONS**

Adopt a resolution authorizing the purchase of the following parcels from George Carl Everett, Jr. and Andrea Cecille Everett, trustees of the Everett Family Revocable Trust for \$1,884,000 plus up to \$25,000 of closing costs: lots 36 through 40 located at 8716 and 8720 North Lake Boulevard (APNs 090-142-001 and 090-142-002), lots 103 and 104 located at 8723 Brockway Vista Avenue (APN 090-142-011), and lots 105 through 107 located at 8717 Brockway Vista Avenue (APN 090-142-012); authorize the Redevelopment Director or designee to sign all related document; add the properties to the Redevelopment Agency's master fixed asset list; and approve California Health and Safety Code Section 33445 findings to authorize the utilization of tax increment proceeds and Tax Allocation Bonds, 2006 Series A for the acquisition of real property.

Attachments: Resolution  
Map  
Purchase Agreement

cc: Karin Schwab, Agency Counsel

**Before the Placer County  
Redevelopment Agency Board of Directors  
State of California**

In the matter of:

Adopt a resolution authorizing the purchase of the following parcels from George Carl Everett, Jr. and Andrea Cecille Everett, trustees of the Everett Family Revocable Trust for \$1,884,000 plus up to \$25,000 of closing costs: lots 36 through 40 located at 8716 and 8720 North Lake Boulevard (APNs 090-142-001 and 090-142-002), lots 103 and 104 located at 8723 Brockway Vista Avenue (APN 090-142-011), and lots 105 through 107 located at 8717 Brockway Vista Avenue (APN 090-142-012); authorize the Redevelopment Director or designee to sign all related document; add the properties to the Redevelopment Agency's master fixed asset list; and approve California Health and Safety Code Section 33445 findings to authorize the utilization of tax increment proceeds and Tax Allocation Bonds, 2006 Series A for the acquisition of real property.

Resol. No. ....

Ord. No. ....

First Reading.....

The following Resolution was duly passed by the Redevelopment Agency Board of Directors of the County of Placer at a regular meeting held \_\_\_\_\_,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:  
Clerk of said Board

\_\_\_\_\_  
Chair, Redevelopment Agency Board

WHEREAS, by Ordinance No. 4753-B adopted on July 16, 1996, the Board of Supervisors of the County of Placer has adopted the Redevelopment Plan for the North Lake Tahoe Project Area (Project Area); and

WHEREAS, the Redevelopment Agency of the County of Placer (Agency) is vested with responsibility pursuant to the Community Redevelopment Law, Part I of Division 24 of the Health and Safety Code of the State of California (Law) to implement the Redevelopment Plan in the Project Area; and

WHEREAS, Agency assistance in acquisition of the Property and in funding the acquisition is contemplated and provided for in Section 308 of the Redevelopment Plan adopted pursuant to Section 33490 of the Law; and

WHEREAS, the Agency intends to purchase certain real property (lots 36 through 40 located at 8716 and 8720 North Lake Boulevard (APNs 090-142-001 and 090-142-002), lots 103 and 104 located at 8723 Brockway Vista Avenue (APN 090-142-011), and lots 105 through 107 located at 8717 Brockway Vista Avenue (APN 090-142-012)) within the Project Area (Property) to facilitate site assemblage for new development opportunities; and

WHEREAS, by staff report accompanying this Resolution and incorporated herein by this reference (Staff Report), the Agency has been provided with additional information upon which the findings and actions set forth in this Resolution are based; and

WHEREAS, the Agency currently contemplates no development project for the real property, nor do the proposed actions commit the Agency to a definite course of action and will not result in a direct or reasonably foreseeable indirect physical change in the environment and the actions are considered exempt from environmental review pursuant to California Environmental Quality Act Guidelines, Section 15060(c).

NOW, THEREFORE, BE IT RESOLVED THAT, based on information presented to the Board of Supervisors and the Agency Board and in compliance with the requirements of Section 33445 of the Law, the Agency finds and determines as follows:

1. All of the above recitals are true and correct, and the Agency has based the findings and actions set forth in this Resolution, in part, on such recitals.

2. The Agency Board hereby finds and determines based on the factual and analytical bases set forth in the Staff Report that:

(a) Agency assistance for acquisition of the Property for site assemblage will be of benefit to the North Lake Tahoe Redevelopment Project Area (Project Area) as it will facilitate the removal of blighting influences and facilitate development of the Site to help prevent business district deficiencies;

(b) no other reasonable means of financing the acquisition of the Property and the remediation of environmental deficiencies are available to the community as

staff has determined that there are no other sources of funding available at this time to facilitate Site acquisition; and

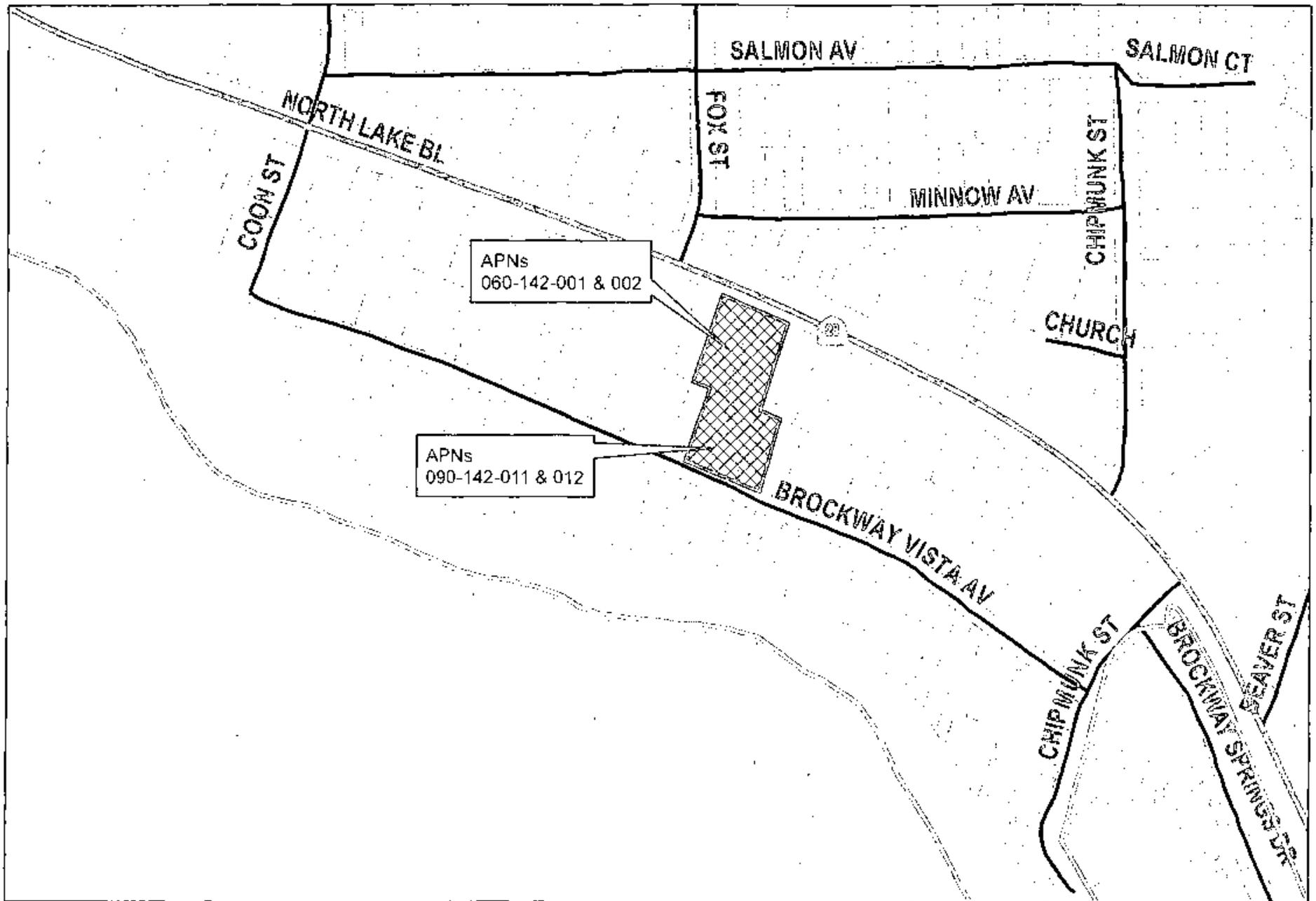
(c) the payment of Agency funds for the acquisition of the Property (i) will assist in the elimination of one or more blighting conditions in the Project Area and (ii) is consistent with the Implementation Plan adopted by the Agency pursuant to Section 33490 of the Law. In this case, the Site acquisition will support the overall revitalization of the surrounding commercial district and Kings Beach community. Assemblage will support future modern, integrated development and will strengthen community and tourist-serving commercial areas by providing improved commercial or mixed-use facilities, public parking or public improvements.

3. The Agency Board approves the payment by the Agency of \$1,884,000 plus escrow and related expenses of up to \$25,000 for purchase of the Property (lots 36 through 40 located at 8716 and 8720 North Lake Boulevard (APNs 090-142-001 and 090-142-002), lots 103 and 104 located at 8723 Brockway Vista Avenue (APN 090-142-011), and lots 105 through 107 located at 8717 Brockway Vista Avenue (APN 090-142-012));

4. The Agency Board authorizes amendment of the Agency's master fixed asset list to include the Property.

5. The Agency Board hereby authorizes the Redevelopment Director or designee to sign the attached Purchase and Sale Agreement and Joint Escrow Instructions and all related escrow documents pursuant to the Purchase and Sale Agreement and Joint Escrow Instructions, and to take such actions and execute such other documents as are appropriate to effectuate the intent of this Resolution.

6. This Resolution shall take immediate effect from and after its passage and approval.



# Everett Properties

## PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this "**Agreement**") is entered into effective as of \_\_\_\_\_, 2009 (the date upon which this Agreement is approved by Buyer's governing board, and hereafter, the "**Effective Date**") by and between the Redevelopment Agency of the County of Placer, a public body, corporate and politic (the "**Buyer**") and George Carl Everett, Jr. and Andrea Cecille Everett, Trustees of the Everett Family Revocable Trust dated April 18, 1996 (the "**Seller**"). Buyer and Seller are collectively referred to herein as the "**Parties**."

### RECITALS

A. Seller is the fee owner of that certain real property located in the unincorporated portion of Placer County known as Kings Beach, California at Lots 36 thru 40 located at 8716 and 8720 North Lake Boulevard, known as Placer County Assessor's Parcel Nos. 090-142-001 and 090-142-002 and Lots 103 and 104 located at 8723 Brockway Vista Avenue, known as Placer County Assessor's Parcel No. 090-142-011 and lots 105 thru 107 located at 8717 Brockway Vista Avenue, known as Placer County Assessor's Parcel No. 090-142-012, and more particularly described in Exhibit A attached hereto and incorporated herein (the "**Land**").

B. In accordance with the terms and conditions set forth in this Agreement, Seller desires to sell, and Buyer wishes to purchase, the Land, together with all improvements located thereon and all easements, hereditaments, and appurtenances belonging to or inuring to the benefit of Seller and pertaining to the Land, including without limitation, all coverage rights and development rights associated with the Land under the codes, procedures and policies of the Tahoe Regional Planning Agency ("**TRPA**") including without limitation, any TRPA approvals granted for the Land (all of the foregoing, collectively, hereinafter, the "**Property**"). The foregoing coverage rights and development rights shall be referred to in this Agreement as "**Coverage Rights**" and "**Development Rights**," respectively.

C. Buyer is a redevelopment agency existing pursuant to the Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.), and pursuant to the authority granted thereunder, Buyer has the responsibility to carry out the Redevelopment Plan for the North Lake Tahoe Redevelopment Project Area ("**Redevelopment Plan**").

D. The Property is located in the area governed by the Redevelopment Plan, and the purchase of the Property as provided for in this Agreement is consistent with and furthers the goals and objectives of the Redevelopment Plan.

**NOW, THEREFORE**, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Purchase and Sale of the Property. Subject to the terms and conditions set forth herein, Seller agrees to sell, and Buyer agrees to purchase, the Property.
2. Purchase Price. The purchase price for the Property shall be as follows: \$384,000 for lots 105 thru 107 located on Placer County Assessor Parcel Number 090-142-012; \$300,000 for lots 103 thru 104 located on Placer County Assessor Parcel Number 090-142-011; \$1,150,000

for lots 36 thru 40 located on Placer County Assessor Parcel Numbers 090-142-001 and 090-142-002. The Buyer shall also pay the Seller and additional \$50,000 for assignment of all plans studies, and documents pertaining to the parcel including all geotechnical information, soil studies, hydrological information, etc. for Buyer's sole use in developing the site in the future. The total Purchase Price for all parcels and studies is (\$1,884,000.00) (the "**Purchase Price**").

3. Opening Escrow; Escrow Instructions. The Parties have, or within five (5) business days following the Effective Date shall, establish an escrow (the "**Escrow**") with the Truckee, California office of First American Title Company (hereafter, the "**Escrow Agent**" or "**Title Company**") whose address and telephone number are 10833 Donner Pass Road, Truckee, CA 96161, CA, (530) 587-4691. This Agreement, together with such supplemental instructions as the Parties may deliver to Escrow Agent, shall serve as joint escrow instructions to the Escrow Agent.

4. Payment of Purchase Price. Buyer shall deposit into Escrow the Purchase Price, together with Buyer's share of closing costs, no later than one (1) business day prior to the Close of Escrow (as defined below).

5. Due Diligence; Feasibility Determination. Seller grants Buyer the right to enter the Property for a period of forty-five (45) days commencing upon the Effective Date (the "**Due Diligence Period**") for the purpose of conducting at Buyer's expense, inspections and evaluations that Buyer deems necessary to evaluate the physical condition of the Property and the suitability of the Property for Buyer's intended use, including without limitation, hazardous materials testing, hydro-geologic testing, review of TRPA Stream Zone Maps, all appropriate inquiry as that term is defined in 40 CFR Part 312, inspection of on-site drainage facilities and an evaluation of the economic and physical feasibility of the Property's development. Buyer shall obtain Seller's written consent, which shall not be unreasonably withheld, conditioned or delayed, prior to conducting any invasive testing of the Property, and Buyer shall cooperate with Seller to ensure that any such access and testing results in the least possible disruption of the Property. Buyer shall repair any damage to the Property caused by Buyer's inspections and tests and shall restore the Property to substantially the condition existing as of the Effective Date. Buyer hereby agrees to defend, indemnify and hold Seller harmless from and against any and all Claims (defined in Section 22.1) arising directly out of any investigative activities of Buyer or its agents or representatives on the Property during the Due Diligence Period, except to the extent arising upon the discovery of any latent conditions in the Property or any Hazardous Materials (defined in Section 22.1) not previously identified in, on or under the Property. If Buyer decides for any reason not to purchase the Property, then Buyer may terminate this Agreement by providing written notice to Seller by no later than 5:00 p.m. on the last day of the Due Diligence Period, and upon receipt of such notice, Escrow Agent shall be instructed to close the escrow, this Agreement shall terminate without further action by either Party, and thereafter neither Party shall have any further duties, obligations, rights, or liabilities under this Agreement, except pursuant to those provisions which expressly survive the termination of this Agreement.

6. Document Inspections. By no later than five (5) business days following the Effective Date, Seller shall make available to Buyer for Buyer's review all of the following documents in Seller's possession or control: (i) reports, studies and investigations related to the Property's physical condition including, soils reports and inspection reports; (ii) a disclosure statement

regarding known conditions that may affect the value of the Property, including prior uses of the Property, environmental conditions, water rights and easements; (iii) architectural plans and drawings, surveys and specifications for the Property; (iv) records relating to any lawsuits pending against Seller, its agents or employees in connection with the ownership, operation, or management of the Property; (v) all leases, rental agreements, service, maintenance and all other agreements that will survive the Close of Escrow; (vi) TRPA Stream Zone Maps; and (vii) verification of TRPA excess coverage fees, Development Rights and Coverage Rights for the Property. If Buyer does not approve any of the foregoing, then Buyer may terminate this Agreement by providing written notice to Seller by no later than 5:00 p.m. on the last day of the Due Diligence Period, and upon receipt of such notice, Escrow Agent shall be instructed to close the escrow, this Agreement shall terminate without further action by either Party, and thereafter neither Party shall have any further duties, obligations, rights, or liabilities under this Agreement, except pursuant to those provisions which expressly survive the termination of this Agreement.

6.1 Rent Roll; Tenant Leases. This section is not applicable.

6.2 Estoppel Certificates. This section is not applicable.

6.3 Assignment of Contracts. At Close of Escrow, Seller shall deliver to Buyer an assignment of contracts in form and substance satisfactory to Buyer pursuant to which Seller shall assign to Buyer those contracts affecting the Property that Buyer elects to assume.

7. Coverage Rights and Tree Preservation Requirements. Buyer shall have until the expiration of the Due Diligence Period to (i) verify the coverage as determined by TRPA, and (ii) determine the tree preservation requirements, if any, related to the Property and the development thereof. If Buyer determines that either there is insufficient coverage to construct the project Buyer intends to develop on the Property or that the applicable tree preservation requirements render such development infeasible, Buyer may terminate this Agreement by providing written notice to Seller by no later than 5:00 p.m. on the last day of the Due Diligence Period, and upon receipt of such notice, Escrow Agent shall be instructed to close the escrow, this Agreement shall terminate without further action by either Party, and thereafter neither Party shall have any further duties, obligations, rights, or liabilities under this Agreement, except pursuant to those provisions which expressly survive the termination of this Agreement.

8. Reserved.

9. Relocation. This section is not applicable.

10. Review of Title; Title Insurance.

10.1 Review of Title. Buyer acknowledges receipt of a Preliminary Title Report for the Property issued by Escrow Agent and dated as of \_\_\_\_\_ (collectively, the "**Preliminary Report**"). Seller shall notify Buyer immediately regarding any change to the condition of title to the Property. Should any new facts or circumstances related to title of the Property be discovered after the Effective Date pursuant to an updated title report or otherwise, Buyer shall have the right to object to such fact or circumstance or terminate this Agreement. If Buyer makes an objection pursuant to this Section, Seller, within five (5) business days after receipt of Buyer's objection, shall notify Buyer in writing whether Seller elects to (i) cause the

exception to be removed from title, (ii) obtain a commitment from Escrow Agent for an appropriate endorsement to the policy of title insurance to be issued to Buyer, reasonably acceptable to Buyer, insuring against the objectionable exception, or (iii) terminate this Agreement unless Buyer elects to take title subject to such exception. Seller's failure to so notify Buyer of its election shall be deemed to be Seller's election to cause the exception to be removed from title. If Seller fails to remove or satisfy any title exception to the satisfaction of Buyer, Buyer shall have the option, in Buyer's sole discretion, to terminate this Agreement or to accept title subject to such exception. If Buyer or Seller elects to terminate this Agreement pursuant to this Section, Escrow Agent shall be instructed to close the escrow, and all rights and obligations of the Parties hereunder shall terminate except those rights and obligations that expressly survive termination of this Agreement.

10.2 Title Insurance. It shall be a condition to the Close of Escrow, that Title Company shall be committed to issue to Buyer an ALTA Owner's Policy of Title Insurance in the amount of the Purchase Price for the benefit and protection of Buyer, showing title to the Property vested in Buyer subject only to exceptions to title approved by Buyer as described in Section 10.1 and Section 18 and with such endorsements reasonably requested by Buyer (the "Title Policy"). Failure of such condition shall entitle Buyer to terminate this Agreement. Upon such termination, all rights and obligations of the Parties hereunder shall terminate except those rights and obligations that expressly survive termination of this Agreement.

11. Agency Board Approval. If the governing board of Buyer has not approved this Agreement prior to the termination of the Due Diligence Period, Buyer may terminate this Agreement by providing written notice to Seller by no later than 5:00 p.m. on the last day of the Due Diligence Period, and upon receipt of such notice, Escrow Agent shall be instructed to close the escrow, this Agreement shall terminate without further action by either Party, and thereafter neither Party shall have any further duties, obligations, rights, or liabilities under this Agreement, except pursuant to those provisions which expressly survive the termination of this Agreement.

12. Right of First Offer.

12.1 Except as provided in this Section 12, during the Right of First Offer Term (defined in Section 12.7 below), Buyer shall not Transfer or agree to Transfer the Property without first offering to sell the Property to Seller. "Transfer" means any sale, transfer, or conveyance of all or any portion of the Property or Buyer's interest in the Property with the exception of: (i) any Transfer of the Property to the County of Placer, (ii) any Transfer pursuant to a recorded instrument that requires the Property to be used solely for commercial development, mixed-use development, public parking, or a combination thereof and (iii) any lease, lease-back, mortgage, assignment or pledge or other transfer of the buyer's interest in all or any portion of the Property made by the Buyer in order to secure financing for the acquisition, construction, development or use of the Property.

12.2 Prior to Buyer's entering into an agreement for the marketing of the Property or otherwise Transferring or agreeing to Transfer the Property during the Right of First Offer Term, Buyer shall offer in writing (the "First Offer") to sell the property to Seller on the same terms and conditions that Buyer would then be willing to offer to a third party. The First Offer shall, at a minimum, include the following information:

- (i) the purchase price;
- (ii) the method of payment of the purchase price;
- (iii) the amount and terms of any Buyer financing;
- (iv) the amount of the required earnest money deposit; and
- (v) the time and location for the close of escrow.

12.3 Seller shall have thirty (30) days from the date of the First Offer to accept the First Offer (the "Acceptance Period") by delivering to Buyer its acceptance on or before 5:00 p.m. Pacific time on the last day of the Acceptance Period. If Seller fails to accept the First Offer before the Acceptance Period ends, the First Offer shall be deemed rejected.

12.4 If Seller responds to the First Offer with anything other than an unequivocal, unconditional acceptance or rejection, the right of first offer shall terminate and the response shall be deemed an offer to purchase the Property on the terms and conditions in the response (the "Counter Offer"). Buyer shall be entitled to accept or reject the Counter Offer in Buyer's sole discretion, and if Buyer rejects the Counter Offer, the Counter Offer shall be deemed to be a rejection of the First Offer.

12.5 If Seller accepts the First Offer, Seller shall have sixty (60) days following acceptance of the First Offer ("Closing Period") to consummate the purchase of the Property pursuant to the terms and conditions of the First Offer. If Seller fails to consummate the purchase of the Property within the Closing Period, any earnest money paid by Seller pursuant to the acceptance shall be paid to Buyer as Buyer's liquidated damages, and the agreement to purchase the Property together Seller's rights pursuant to this Section 12.5 shall be terminated. After the termination, Buyer shall be free to enter into an agreement for the sale of the Property with a third party on whatever terms Buyer may choose to offer without further obligation under this Agreement;

12.6 Term. Seller's right of first offer pursuant to this Section 12 shall begin on the date that the Land is conveyed to Buyer and shall continue until 5:00 p.m. Pacific Time on July 31, 2011 ("Right of First Offer Term"), unless terminated sooner in accordance with the terms of this Section 12.

12.7 Termination. The rights and obligations of the parties under this Section 12 shall automatically terminate and have no further effect upon the first of the following events to occur:

- (a) The expiration of the Term set forth in Section 12.6; or
- (b) Seller rejects a First Offer or a Second Offer and Buyer subsequently consummates a sale of the Property to a third party pursuant to the terms of this Agreement; or
- (c) Buyer transfer the Property pursuant to an instrument that requires the Property to be used for commercial, mixed-use, public parking, or a combination thereof; or
- (d) Agency develops the Land as commercial, mixed-use, public parking or a combination thereof.

12.8 No Assignment. The right of first offer provided pursuant to this Section 12 is personal to Seller and may not be assigned by operation of law or otherwise without the express written consent of Buyer.

12.9 Time of Essence. Time is of the essence with respect to the provisions of this Section 12.

12.10 Memorandum for Recordation. Buyer and Seller agree that this Agreement or a Memorandum of Right of First Offer shall be recorded in the official records of Placer County. Upon the expiration of the Right of First Offer Term as set for in Section 12.6 or upon the termination of the right of first offer pursuant to Section 12.7 Buyer and Seller each agree to execute and record such instruments as may be necessary to reconvey the Memorandum.

13. Representations and Warranties of Seller. Seller hereby represents and warrants the matters set forth in this Section 13 to be true to the best of Seller's knowledge as of the Effective Date and as of the Closing Date. Prior to the Closing Date, upon request of Buyer, Seller shall deliver to Buyer a certificate dated as of the Closing Date, signed by Seller, certifying that the representations and warranties are true to the best of Seller's knowledge as of the Closing Date. Such representations shall survive the closing and conveyance of title to the Property. For purposes of this Agreement, "Seller's knowledge" shall mean the actual present knowledge of Seller and the employees and agents of Seller.

a. Seller has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein, and to consummate the transactions contemplated hereby. The individuals executing this Agreement and the instruments referenced herein on behalf of Seller have the power, right and authority to bind Seller.

b. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby will result in a breach of or constitute a default under any agreement, instrument, or other obligation to which Seller is a party or by which Seller or the Property may be bound.

c. There is no claim, action, litigation, arbitration or other proceeding pending or, to the best of Seller's knowledge, threatened against Seller which relates to the Property or the transactions contemplated hereby or which could result in the imposition of a lien against the Property or have an adverse effect on the Property or its operation. If Seller receives notice of any such claim, litigation, arbitration or proceeding prior to the Closing Date, Seller shall promptly notify Buyer of the same in writing.

d. There are no leases, rental agreements, management agreements, contracts, warranties, guaranties, bonds or other agreements which will affect the Property or which will be obligations of Buyer after the Closing Date, other than as disclosed in writing to Buyer or as specifically approved by Buyer.

e. To the best of Seller's knowledge, neither the Property nor Seller is in violation of, and Seller has not received any written notice of any violation of, any law, ordinance, regulation, order or requirement applicable to the Property including without limitation,

requirements imposed under any recorded covenants, conditions, restrictions, easements or other rights affecting the Property, other than as disclosed to Buyer in writing. If Seller receives such a notice prior to the Closing Date, Seller agrees to immediately notify Buyer.

f. Seller has no knowledge, except as otherwise disclosed in writing or in any of the documents delivered to Buyer pursuant to this Agreement, of the existence or prior existence in, on or under the Property of any Hazardous Materials.

g. Seller is not a "foreign person" under Section 1445 of the Internal Revenue Code.

h. Seller shall not sell any Coverage Rights or Development Rights associated with the Property to any party other than Buyer prior to the termination of this Agreement or the Close of Escrow.

During the term of this Agreement, Seller shall have a continuing duty to notify Buyer of any material facts that would render any of the representations set forth above false.

14. Representations and Warranties of Buyer. Buyer hereby represents and warrants the matters set forth below to be true to the best of Buyer's knowledge as of the Closing Date. Such representations shall survive the closing and conveyance of title to the Property.

a. Buyer has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein, and to consummate the transactions contemplated hereby. The individuals executing this Agreement and the instruments referenced herein on behalf of Buyer hereby represent and warrant that they have the power, right and authority to bind Buyer.

b. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby shall result in a breach of or constitute a default under any agreement, instrument, or other obligation to which Buyer is a party or by which Buyer may be bound.

15. Close of Escrow.

15.1 Closing Date. Unless this Agreement is terminated pursuant to the terms hereof or extended by mutual consent of the Parties, escrow shall close within sixty (60) days following the Effective Date. Upon Close of Escrow, Seller shall convey the Property to Buyer by grant deed in form approved by Buyer (the "**Grant Deed**"). The "**Closing Date**" or "**Close of Escrow**" hereunder shall be the date that the Grant Deed is recorded in the Official Records of Placer County.

15.2 Seller Deposits into Escrow. No later than three (3) business days prior to Close of Escrow, Seller shall deposit into escrow all of the following: (i) the Grant Deed, duly executed and acknowledged by Seller; (ii) Seller's affidavit that Seller is not a "foreign person" as defined in the federal Foreign Investment in Real Property Tax Act of 1980 and the 1984 Tax Reform Act; (iii) Seller's California Form 593-W; (iv) Assignment of Leases (as described in Section 6.1) executed by Seller; (v) evidence that all utilities payable with respect to the Property have been paid prorated as of the Closing Date; (vi) Tenant Estoppels (as described in Section 6.2); (vii) all original leases, rental agreements and contracts to be assumed by Buyer; and (viii)

such other documents and instruments as the Escrow Agent may reasonably require to consummate the transactions contemplated by this Agreement.

15.2.a Internal Revenue Service 1031 Tax Deferred Exchange. Buyer acknowledges that Seller may elect to perform an Internal Revenue Service 1031 Tax Deferred Exchange at no cost or obligation to Buyer. Seller shall notify Buyer in a timely manner if such an event is planned. Buyer shall cooperate fully with all documentation and information to effectuate the 1031 Tax Deferred Exchange.

15.3 Buyer Deposits into Escrow. No later than three (3) business days prior to Close of Escrow, Buyer shall deposit into escrow all of the following: (i) Certificate of Acceptance, duly executed and acknowledged by Buyer; (ii) Assignment of Leases (as described in Section 6.1) executed by Buyer; and (iii) such other documents and instruments as the Escrow Agent may reasonably require to consummate the transactions contemplated by this Agreement. No later than one (1) business day prior to Close of Escrow, Buyer shall deposit into escrow funds in the amount equal to: the Purchase Price, the cost of the Title Policy, and the cost of escrow and recording fees, less any prorations, taxes or fees payable by Seller.

15.4 Costs of Escrow and Closing. Buyer shall pay all closing costs and expenses of escrow including Seller's Placer County Transfer Tax estimated at \$8,000. Buyer shall pay the cost of Buyer's policy of title insurance. Seller shall be solely responsible for all costs related to actions contemplated under Section 15.2.a of this Agreement.

15.5 Prorations and Adjustments. General and special real estate and personal property taxes and assessments and utility and service charges (including any that may be assessed after Close of Escrow but which pertain to the period prior to the transfer of title to the Property to Buyer, regardless of when or to whom notice thereof is delivered) shall be prorated as of the Closing Date. All prorations shall be made on the basis of the actual days in a month and a three hundred sixty-five (365) day year.

15.6 Closing. The Escrow Agent shall close escrow by (i) causing the Grant Deed to be recorded in the Official Records of Placer County, (ii) issuing the Title Policy and delivering the same to Buyer, (iii) delivering to Seller the monies constituting the Purchase Price less prorated amounts and charges to be paid by or on behalf of Seller, (iv) delivering to Buyer a conformed copy of the Grant Deed indicating recording information thereon, and (v) delivering to Buyer the Assignment of Leases and the Tenant Estoppels, together with the original leases, contracts and agreements to be assumed by Buyer. Possession of the Property shall be delivered to Buyer at Close of Escrow (subject to Section 9.1).

16. Buyer's Conditions to Closing. Buyer's obligation to purchase the Property is expressly contingent upon Buyer's approval of the condition of the property pursuant to Sections 5, 6, and 7 (Due Diligence; Document Inspection; Coverage Rights), and the approval of this Agreement by Buyer's governing board. In addition, the Close of Escrow and Buyer's obligation to purchase the Property are subject to the satisfaction of all of the following conditions or Buyer's written waiver thereof (in Buyer's sole discretion) on or before the Closing Date:

(i) Seller shall have performed all obligations to be performed by Seller pursuant to this Agreement.

(ii) Seller's representations and warranties herein shall be true and correct in all material respects as of the Closing Date.

(iii) The Title Company shall be irrevocably committed to issue the Title Policy to Buyer, effective as of the Closing Date in accordance with Section 10.2.

(iv) There shall be no moratorium, prohibition or any other measure, rule, regulation or restriction, including, without limitation, any moratorium on the provision of or hook-up to public utilities, which was not in force as of the end of the Due Diligence Period and the effect of which would be to preclude any inspections, or the issuance of any building or other permits, or construction on or development of the Property as contemplated by Buyer. The occurrence of any of the foregoing shall entitle Buyer to terminate this Agreement.

(v) Seller shall not have sold, assigned, conveyed or otherwise transferred any Development Rights or Coverage Rights to any party other than Buyer. Buyer acknowledges that Seller shall maintain ownership and rights, including rights to sell or transfer one (1) Tourist Accommodation Unit that is attributable to the Land.

(vi) Seller shall have paid all utility bills payable with respect to the Property, prorated as of the Closing Date.

(vii) At Seller's sole cost and expense, Seller shall have corrected all building code violations relating to health and safety at the Property, if applicable.

17. Seller's Conditions to Closing. The Close of Escrow and Seller's obligation to sell and convey the Property to Buyer are subject to the satisfaction of the following conditions or Seller's written waiver (in Seller's sole discretion) of such conditions on or before the Closing Date:

(i) Buyer shall have performed all obligations to be performed by Buyer pursuant to this Agreement before Closing Date.

(ii) Buyer's representations and warranties set forth herein shall be true and correct in all material respects as of the Closing Date.

18. Condition of Title. At the Close of Escrow, Seller shall deliver insurable title to the Property, free and clear of all liens, encumbrances, clouds and conditions, rights of occupancy or possession except:

- a. applicable building and zoning laws and regulations;
- b. any lien for current taxes and assessment not yet delinquent;
- c. any liens, encumbrances, clouds, conditions, or exceptions arising due to the actions of Buyer; and

d. any title exceptions Buyer has approved pursuant to Section 10 or exceptions for which Seller has obtained an appropriate endorsement pursuant to Section 10.

19. Seller's Covenants. Seller covenants that (i) absent the written consent of Buyer, Seller shall not enter into or renew, replace or modify any agreement regarding the sale, rental, use, management, repair, improvement, or any other matter affecting the Property that will be binding on Buyer or the Property after the Closing Date; (ii) Seller shall not permit any liens, encumbrances, or easements to be placed on the Property, other than as approved in writing by Buyer; (iii) Seller shall not permit any act of waste or act that would tend to diminish the value of the Property for any reason, except that caused by ordinary wear and tear; (iv) until the Close of Escrow, Seller shall maintain the Property in accordance with Seller's established practices, and in a condition as of the Effective Date, ordinary wear and tear excepted, and shall, at Seller's expense, make all repairs necessary to maintain the Property in such condition; and (v) Seller shall make no material alteration to the Property or the improvements located thereon without Buyer's prior written consent.

20. Buyers Conditions After Closing Escrow. The following conditions shall survive after close of escrow:

20.1 Fencing. Buyer agrees to provide at Buyer's expense a boundary fence after close of escrow surrounding the Land. Buyer shall provide Seller northern access to Seller's property located on Placer County Assessor Parcel Number (APN) 090-140-012, lots 108 and 109. The northern access shall consist of a double gate. Seller shall be responsible for securing the gate. Buyer will not be responsible for securing or maintaining any of Buyer's personal items on APN 090-140-012, lots 108 and 109. Buyer agrees to provide the access gate without obstruction. Seller acknowledges that it is the intent of Buyer to develop the Property at a later date and Seller shall cooperate with Buyer in the development of the Property. This condition does not run with the land and shall terminate if Seller transfers APN 090-140-012 lots 108 and 109. A transfer shall be defined as any total or partial sale, assignment or conveyance, or any trust of power, or any transfer in any other mode or form, of or with respect to any ownership interest in APN 090-140-012 lots 108 and 109.

Seller may elect to install perimeter fencing utilizing its own contractor and at Seller's expense (but subject to reimbursement as described in this Section). The fencing shall be around the west, north and east boundary of lots 108 and 109. The fencing shall consist of a 6' solid wood fencing. At the north boundary of Lot # 109 a sliding double gate shall be installed as referenced in the Agreement. Seller shall submit the contractor's bid to the Buyer for approval prior to accepting such bid. Provided that the Buyer has provided prior written approval of the budget, the Buyer shall reimburse Seller for 50% of the costs incurred for fencing material and labor within thirty (30) days following Seller's submittal of an invoice for such costs to the Buyer.

Seller shall cause its contractor to pay prevailing wages for the installation of the fencing as those wages are determined pursuant to California Labor Code Section 1720 et seq. and the regulations adopted pursuant thereto (collectively, the "**Prevailing Wage Laws**") and to comply with all other applicable provisions of the Prevailing Wage Laws. Seller shall cause the contractor to keep and retain such records as are necessary to determine if such prevailing wages

have been paid as required pursuant to Prevailing Wage Laws. Seller shall indemnify, defend (with counsel approved by Buyer) Buyer and its elected and appointed officers, officials employees, agents and representatives (all of the foregoing, collectively the **Indemnitees**) harmless from and against all liabilities, loss, damages, fines, deficiencies, penalties, claims, demands, suits, actions, causes of action, legal or administrative proceedings, judgments, costs and expenses (including without limitation reasonable attorneys' fees and court costs) (all of the foregoing, collectively "**Claims**") which directly or indirectly, in whole or in part, are caused by, arise from, or relate to the failure or alleged failure of any person or entity to pay prevailing wages as determined pursuant to Prevailing Wage Laws in connection with the work described in this Section. The provision of this Section shall survive the close of escrow and recordation of the Grant Deed.

20.2 Landscape Maintenance Along Brockway Vista Avenue. Both Parties agree that it is important to maintain the existing landscaping along Brockway Vista Avenue. Buyer shall maintain the water supply and sprinkler system to protect and maintain the landscaping and provide a visual screen. Seller shall grant with this Agreement a right of access to Buyer and Buyer's contractors to protect and maintain the vegetation and irrigation system until such time as Buyer develops the Land. When Buyer develops the Land, Buyer shall stub out a water connection to APN 090-140-012, lots 108 and 109 for Seller to maintain at its own expense. At that time, Seller shall be responsible for maintain the landscaping along Brockway Vista Avenue on its lots 108 and 109 and any obligations of the Buyer under Section 20.2 shall be terminated.

20.3 Ingress and Egress Along Brockway Vista Avenue. Buyer agrees not to provide public vehicle or pedestrian access from the Land to Brockway Vista Avenue upon completion of a development, except for access required by any applicable federal, state, or local requirement. Any ingress or egress from the Land shall be limited to North Lake Boulevard.

21. Damage and Destruction. In the event of any damage or other loss to the Property, or any portion thereof, caused by fire or other casualty prior to the close of escrow in an amount not exceeding \$50,000, Buyer shall not be entitled to terminate this Agreement, but shall be obligated to close the escrow and purchase the Property as provided in this Agreement, without abatement in the Purchase Price, provided that Seller shall: (i) assign and transfer to Buyer all of Seller's rights under any insurance policy covering the damage or loss, and all claims for monies payable from Seller's insurer(s) in connection with the damage or loss, and (ii) pay to Buyer at the close of escrow the amount of Seller's deductible under the insurance policy or policies covering the damage or loss. In the event of damage or destruction of the Property or any portion thereof prior to the close of escrow in an amount in excess of \$50,000, Buyer may elect either to terminate this Agreement upon written notice to Seller, or to consummate the purchase of the Property, in which case Seller shall (i) assign and transfer to Buyer all of Seller's rights under any insurance policy covering the damage or loss, and all claims for monies payable from Seller's insurer(s) in connection with the damage or loss, and (ii) pay to Buyer at the close of escrow the amount of Seller's deductible under the insurance policy or policies covering the damage or loss. In the event Buyer elects to terminate this Agreement, all funds and documents deposited into escrow by or on behalf of Buyer shall be returned to Buyer, and all rights and obligations hereunder shall terminate.

22. Notices. All notices required or permitted hereunder shall be in writing. Any notice, tender or delivery to be given pursuant to this Agreement by either party may be accomplished by personal delivery, by first class certified mail, return receipt requested, or by delivery via an overnight courier which guarantees next day delivery. Any notice delivered by certified mail, return receipt requested shall be deemed received on the date of delivery reflected on the return receipt. Any notice delivered by overnight shall be deemed received one (1) business day after deposit thereof with the overnight courier. Mailed notices shall be addressed as set forth below, but each party may change its address by written notice in accordance with this Section 22, on not less than ten (10) days prior written notice.

To Buyer:                   Redevelopment Agency of the County of Placer  
3091 County Center Drive  
Auburn, CA 95603  
Attn: Deputy Director

To Seller:                   George Carl Everett and Andrea Cecille Everett  
Trustees of the Everett Family Revocable Trust  
dated April 18, 1996  
3801 N. Cap of Texas, E240-302  
Austin, TX 78746

To Escrow Holder:       First American Title Company  
10833 Donner Pass Road  
Truckee, CA 96161  
Attn: Escrow Officer  
Escrow No. \_\_\_\_\_

23. Indemnification.

23.1 Seller's Indemnity. Seller agrees to defend, indemnify and hold Buyer and Buyer's elected and appointed officers, officials, employees, agents, and representatives (collectively, "**Indemnitees**") harmless from and against any and all claims, liens, demands, losses, damages, liabilities, fines, penalties, charges, administrative and judicial proceedings and orders, and all costs incurred in connection therewith (including without limitation, attorneys' fees including the allocated costs of Buyer's in-house counsel and costs of experts and consultants) (all of the foregoing, collectively "**Claims**") arising from (i) any obligation of Seller not expressly assumed by Buyer related to the ownership or operation of the Property prior to the Close of Escrow; (ii) personal injury or property damage relating to the Property which occurs prior to the Close of Escrow and not caused by the acts or omissions of Buyer or Buyer's agents, employees, or invitees; and (iii) the breach of any of Seller's representations or covenants made under this Agreement. The indemnity contained in this Section shall survive the termination of this Agreement and the Close of Escrow.

23.2 Buyer's Indemnity. Buyer agrees to defend, indemnify and hold Seller harmless from and against any and all Claims arising from (i) any obligation of Buyer related to the ownership or operation of the Property after the Close of Escrow which has not been expressly assumed by Seller or retained by Seller pursuant to any lease-back of the Property; (ii) personal

injury or property damage relating to the Property which occurs after the Close of Escrow and not expressly assumed by Seller or retained by Seller pursuant to any lease-back of the Property or caused by the acts or omissions of Seller or Seller's employees, agents, or invitees; and (iii) the breach of any of Buyer's representations made under this Agreement. The indemnity contained in this Section shall survive the termination of this Agreement and the Close of Escrow. Notwithstanding anything to the contrary set forth in this Agreement, Buyer is not obligated to defend, indemnify, or hold Seller harmless from Claims related to Hazardous Materials in, on or under the Property or any portion thereof, or Claims arising from the violation of federal, state, or local laws, ordinances, regulations, orders and directives pertaining to Hazardous Materials.

23.3 Definitions. For purposes of this Agreement, "**Hazardous Materials**" means the following: hazardous substance, hazardous waste, infectious waste, or hazardous material as defined in any federal, state or local statute, ordinance, regulation, or rule applicable to the Property, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.) or Sections 25280 et seq., 25310 et seq., 25110 et seq., or 25500 et seq., of the California Health and Safety Code at such time; any other waste, substance or material designated or regulated in any way as "toxic" or "hazardous" in the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), Safe Drinking Water Act (42 U.S.C. Section 300f et seq.), Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), Clean Air Act (42 U.S.C. Section 7401 et seq.), California Health and Safety Code (Section 25100 et seq.), or California Water Code (Section 13000 et seq.) at such time; and any additional wastes, substances or material which at such time are classified, considered or regulated as hazardous or toxic under any other present or future environmental or other similar laws relating to the Property, including asbestos, asbestos-containing materials, radon gas, oil or any fraction thereof of petroleum products, but excluding any substances or materials used in the construction, development, maintenance or operation of the improvements on the Property, so long as the same are used in accordance with all applicable laws.

#### 24. General Provisions.

a. Headings; Construction. The section headings used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties acknowledge that this Agreement is the product of negotiation and compromise on the part of both Parties, and the Parties agree that this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole.

b. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions shall not be affected thereby, and every provision hereof shall be valid and enforceable to the fullest extent permitted by law.

c. Attorneys' Fees. In the event of any litigation between the Parties to enforce or interpret any of the provisions of this Agreement, the prevailing party shall be entitled to recover from the unsuccessful party all costs and expenses, including reasonable attorneys' fees, all of which may be included as part of the judgment rendered in such litigation.

d. Entire Agreement. This Agreement together with Exhibit A, attached hereto and incorporated herein by reference, supersedes all prior negotiations and agreements between the Parties, is intended to be the final expression of the agreement between the Parties, and may not be contradicted by evidence of any prior or contemporaneous agreement. The Parties further intend that this Agreement constitutes the final and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceedings involving this Agreement.

e. Waivers; Modification. No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the waiving party. This Agreement may be amended or modified only by a written instrument executed by the Parties.

f. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principle of conflict of law. Any claim or action relating to this Agreement shall be brought in Superior Court in Placer County California or the nearest federal district court.

g. Successors. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

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

i. Performance Days. If the last day of any time period specified in this Agreement falls on a Saturday, Sunday or holiday observed by the federal government or the State of California, then the deadline for performance of the obligation that must be performed within such time period shall automatically be extended to the next day which is not a Saturday, Sunday or federal or state holiday.

j. Cooperation of Parties. Buyer and Seller shall execute such further escrow instructions and any and all other documents reasonably necessary or appropriate to close the purchase and sale pursuant to the terms of this Agreement.

k. Parties Not Co-Venturers. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another.

l. No Third Party Beneficiaries. Nothing in this Agreement is intended to or shall confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

m. Provisions Not Merged With Deeds; Survival. None of the provisions, terms, representations, warranties and covenants of this Agreement are intended to or shall be merged by the Grant Deed, and neither the Grant Deed nor any other document shall affect or impair the provisions, terms, representations, warranties and covenants contained herein. Without limiting

the generality of the foregoing, Seller's representations, warranties and covenants contained herein shall survive the close of escrow. Notwithstanding any other provision of this Agreement to the contrary, if this Agreement terminates, such termination shall not release Seller and Buyer from any obligations under this Agreement that are specifically stated herein to survive the termination of this Agreement.

n. Broker's Commission. Buyer represents and warrants that it has dealt with no broker, real estate agent or finder in connection with this transaction. Seller has worked with Michael Dunsford, Commercial Associate, Coldwell Banker Commercial NRT, 531 North Lake Boulevard, P.O. Box 7758, Tahoe City, CA 96145. Seller shall be responsible for paying any and all broker commissions relating to this transaction. Buyer and Seller (each an "Indemnitor") agree to indemnify and hold the other as Indemnitee harmless from all expense, loss damage, and claims including the Indemnitee's attorney fees, if necessary, arising out the Indemnitor's breach of the foregoing representation. The terms of this Section shall survive the expiration or earlier termination of this Agreement.

o. Escrow Cancellation Charges. If the escrow fails to close by reason of a default by Buyer or Seller hereunder, such defaulting party shall pay all escrow or other Title Company charges.

p. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which taken together shall constitute the same instrument.

This section left intentionally blank.

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

BUYER:

REDEVELOPMENT AGENCY OF THE COUNTY OF  
PLACER, A PUBLIC BODY, CORPORATE AND POLITIC

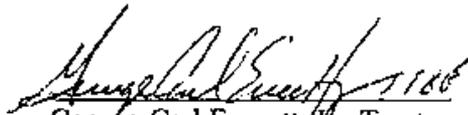
By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

SELLER:

EVERETT FAMILY REVOCABLE TRUST DATED APRIL  
18, 1996

  
George Carl Everett, Jr., Trustee

  
Andrea Cecille Everett, Trustee

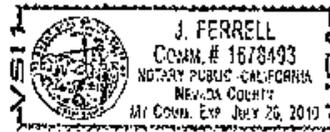
State of California )  
                          ) ss.  
County of Nevada )  
                          ) Placer

On 6-4-09, before me, J. Ferrell, Notary Public,  
personally appeared Georgy Carl W. Ferrell Jr. proved to me on the basis of satisfactory  
evidence to be the person(s) who 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



K7

State of California )  
County of <sup>Nevada</sup> Placer ) ss.

On 6.4.09, before me, J. Ferrell, Notary Public,  
personally appeared Andrea Cecille Warner proved to me on the basis of satisfactory  
evidence to be the person(s) who 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



Exhibit A

**LEGAL DESCRIPTION**

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,  
COUNTY OF PLACER, UNINCORPORATED AREA, AND IS DESCRIBED AS FOLLOWS:

LOTS NUMBERED 36, 37, 38, 39, 40, 103, 104, 105, 106, AND 107, IN BLOCK LETTERED  
"BE", AS SHOWN UPON THAT MAP OF BROCKWAY VISTA SUBDIVISION, FILED  
APRIL 6, 1926 IN BOOK "D" OF MAPS AT PAGE 16, PLACER COUNTY RECORDS.

APNS: 090-142-001, 090-142-002, 090-142-011, AND 090-142-012

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