

**VACANT LAND PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

Dated: _____, 200__

1. OFFER:

A. This is an offer from _____,
_____, ("Buyer").

B. The real property to be acquired is described as: _____

_____ situated in the unincorporated area of Napa County, California (the "Property").

C. The **Purchase Price** offered is _____ **dollars.**

D. **Close of Escrow** shall occur on _____, (or
___ days After Acceptance).

E. **Assignees.** Buyer represents that Buyer is purchasing the Property for his or her own use. The addition, deletion, or substitution of any person or entity under this Agreement or to title prior to Close of Escrow shall require Seller's written consent. Seller may grant or withhold consent in Seller's sole discretion.

2. FINANCIAL TERMS:

A. **Initial Deposit:** Buyer has given a deposit in the amount of _____ \$ _____ to _____, by personal check made payable to First American Title Company which shall be held uncashed until Acceptance and then deposited within 3 business days After Acceptance with Escrow Holder.

B. **Increased Deposit:** Buyer shall deposit with Escrow Holder an increased deposit in the amount of _____ within ___ days After Acceptance. (or) _____.

C. **First Loan In The Amount** of _____

Buyer shall pay loan fees/points not to exceed _____

D. **All Cash Offer** (if checked) No loan is needed to purchase the property. Buyer shall, within 7 (or ___) days after Acceptance, provide Seller with written verification of sufficient funds to close this transaction.

E. **Additional Financing Terms:** _____

F. **Balance Of Purchase Price** (not including costs of obtaining loans and closing costs) in the amount of _____ to be deposited with Escrow Holder within sufficient time to close escrow.

G. **Purchase Price Total** \$ _____

H. **Loan Applications:** Within **7 (or ____)** days After Acceptance, Buyer shall provide Seller a letter from a lender or mortgage loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified above.

I. **Verification Of Down Payment And Closing Costs:** Buyer (or Buyer's lender or loan broker pursuant to 2H) shall, within **7 (or ____)** days After Acceptance, provide Seller with written verification of Buyer's down payment and closing costs.

J. **Loan Contingency Removal:** (within **17 (or ____)** days After Acceptance Buyer shall, as specified in paragraph 18, remove the loan contingency or cancel this Agreement; **or,** (____if checked) loan contingency shall remain in effect until the designated loans are funded.

K. **Appraisal Contingency And Removal:** This Agreement is (or, if checked ____, is **NOT**) contingent upon the Property appraising at no less than the specified purchase price. If there is a loan contingency, at the time the loan contingency is removed (or, if checked, ____ within **17 (or ____)** days After Acceptance) Buyer shall, as specified in paragraph 18, remove the appraisal contingency or cancel this Agreement. If there is no loan contingency, Buyer shall, as specified in paragraph 18, remove the appraisal contingency within **17 (or ____)** days After Acceptance.

L. **No Loan Contingency** (if checked ____): Obtaining any loan in paragraphs 2C, 2E or elsewhere in this Agreement is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

3. **POSSESSION AND KEYS:** Possession and occupancy shall be delivered to Buyer at ____ AM/PM on the date of Close of Escrow. The property shall be unoccupied, unless otherwise agreed in writing. Seller shall provide keys and/or means to operate all Property locks.

4. **ALLOCATION OF COSTS** (if checked): This paragraph only determines who is to pay for the report, inspection, test or service mentioned. Who is to pay for any work recommended or identified by any such report is by the method specified in paragraph 12.

A. **Inspections and Reports:**

(1) Buyer shall pay for costs of testing to determine the suitability of soil for sewage disposal.

(2) Seller shall pay for a natural hazard zone disclosure report prepared by Hirst Consulting Services, LLC.

(3) Buyer shall pay for all physical inspections Buyer desires.

(4) Buyer shall pay if Buyer desires to have Property corners identified.

B. **Escrow and Title:**

(1) Buyer shall pay the escrow fee. Escrow Holder shall be First American Title Company.

(2) Buyer shall pay for owner's title insurance policy to be issued by First American Title Company.

C. **Other Costs:** Seller shall pay County transfer tax.

5. **STATUTORY DISCLOSURES AND CANCELLATION RIGHTS:**

A. **Natural and Environmental Hazards:** Seller shall, within the time specified in paragraph 12, deliver to Buyer if required by Law: (i) earthquake guides (and questionnaire) and environmental hazards booklet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.

B. **Data Base Disclosure:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.megansLaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP code in which he or she resides. (Seller is not required to check this website. If Buyer wants further information, Seller recommends Buyer obtain information from this website during Buyer's inspection contingency period.)

6. **SELLER DOCUMENTATION AND ADDITIONAL DISCLOSURE:**

A. Within the time specified in paragraph 12, if Seller has actual knowledge, Seller shall provide to Buyer, in writing, the following information:

(1) **Legal Proceedings:** Any Lawsuits by or against Seller, threatening or affecting the Property, including any Lawsuits alleging a defect or deficiency in the Property, or any known notices of abatement or citations filed or issued against the Property.

(2) **Agricultural Use:** Whether the Property is subject to restrictions for agriculture use pursuant to the Williamson Act (Government Code sections 51200-51295).

(3) **Deed Restrictions:** Any deed restrictions or obligations.

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

(5) **Endangered Species:** Presence of endangered, threatened, 'candidate' species, or wetland on the Property.

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

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

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

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

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

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

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

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

(14) **Neighborhood Problems:** Any neighborhood noise problems, or other nuisances.

B. **Mello-Roos Tax; 1915 Bond Act:** Within the time specified in paragraph 18, Seller shall (i) make a good faith effort to obtain a notice from any local agencies that levy a special tax or assessment on the Property (or, if allowed, substantially equivalent notice), pursuant to the Mello-Roos Community Facilities Act, and Improvement Bond Act of 1915, and (ii) promptly deliver to Buyer any such notice obtained.

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

8. **CONDITIONS AFFECTING PROPERTY:**

a. (i) **The Property is sold (a) in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation Rights;** and (ii) the Property is to be maintained in substantially the same condition as on the date of Acceptance.

b. **Seller shall, within the time specified in paragraph 12, disclose known material facts and defects affecting the property and make other disclosures required by Law.**

c. **NOTE TO BUYER: You are strongly advised to conduct investigations of the entire Property in order to determine its present condition since Seller may not be aware of all defects affecting the Property or other factors that you consider important.** Property Improvements may not be built according to code, in compliance with current Law, or have had permits issued.

d. **NOTE TO SELLER: Buyer has the right to inspect the Property and, as specified in paragraph 12, based upon information discovered in those inspections: (i) cancel this Agreement; or (ii) request that you make Repairs or take other action.**

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

A. Buyer's acceptance of the condition of and any other matter affecting the Property is a contingency of this Agreement, as specified in this paragraph and paragraph 12. Within the time specified in paragraph 12, Buyer shall have the right, at Buyer's expense, unless otherwise agreed, to conduct inspections, investigations, test, surveys, and other studies ("**Buyer Investigations**"), including, but not limited to, the right to (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified below. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations; or (ii) inspections by any governmental building or zoning inspector, or government employee, unless required by Law.

B. Buyer shall complete Buyer Investigations and, as specified in paragraph 12, remove the contingency or cancel this Agreement. Buyer shall give Seller, at no cost, complete copies of all Buyer Investigations reports obtained by Buyer. Seller shall make Property available for all Buyer Investigations.

Buyer is strongly advised to investigate the condition and suitability of all aspects of the Property and all matters affecting the value or desirability of the Property, including but not limited to, the items specified below. If Buyer does not exercise these rights, Buyer is acting against the advice of Seller and most real estate professionals. Buyer understands that although conditions are often difficult to locate and discover, all real property contains conditions that are not readily apparent and that may affect the value or desirability of the Property.

(1) Size, Lines, Access and Boundaries: Lot size, property lines, legal or physical access and boundaries including features of the Property shared in common with adjoining landowners, such as walls, fences, roads and driveways, whose use or responsibility for maintenance may have an effect on the Property and any encroachments, easements or similar matters that may affect the Property. (Fences, hedges, walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. Property lines may be verified by survey.) (Unless otherwise specified in writing, any numerical statements by Seller regarding lot size are approximations only, which have not been and will not be verified, and should not be relied upon by Buyer.)

(2) Zoning and Land Use: Past, present, or proposed Laws, ordinances, referendums, initiatives, votes, applications and permits affecting the current use of the Property, future development, zoning, building, size, governmental permits and inspections. Any zoning violations, non-conforming uses, or violations of "setback" requirements. (Buyer should also investigate whether these matters affect Buyer's intended use of the Property.)

(3) Utilities and Services: Availability, costs, restrictions and location of utilities and services, including but not limited to, sewerage, sanitation, septic and leach lines, water, electricity, gas, telephone, cable TV and drainage.

(4) Environmental Hazards: Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gasses, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products or conditions.

(5) Geologic Conditions: Geologic/seismic conditions, soil and terrain stability, suitability and drainage including any slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.

(6) Natural Hazard Zone: Special Flood Hazard Areas, Potential Flooding (inundation) Areas, Very High Fire Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.

(7) Property Damage: Major damage to the Property or any of the structures or non-structural systems and components and any personal property included in the sale from fire, earthquake, floods, landslides or other causes.

(8) Neighborhood, Area and Property Conditions: Neighborhood or area conditions, including Agricultural Use Restrictions pursuant to the Williamson Act (Government Code sections 51200-51295), Right to Farm Laws (Civil Code sections 3482.5 and 3482.6), schools, proximity and adequacy of Law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, abandoned mining operations on the Property, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally-protected sites or improvements, cemeteries, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of the Buyer.

(9) Manufactured Home Placement: Conditions that may affect the ability to place and use a manufactured home on the Property.

10. BUYER INDEMNITY AND SELLER PROTECTION FOR ENTRY UPON PROPERTY: Buyer shall (i) keep the Property free and clear of liens; (ii) Repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer' behalf to carry, policies of liability, workers' compensation and other applicable insurance,

defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

11. TITLE AND VESTING:

A. Within the time specified in paragraph 12, Buyer shall be provided a current preliminary (title) report, which is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the preliminary report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 12.

B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.

C. Within the time specified in paragraph 12, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.

D. At Close of Escrow, Buyer shall receive a grant deed conveying title, including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**

E. Buyer shall receive a standard coverage owner's CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyers desire title coverage other than that required by this paragraph, Buyer shall instruct Escrow holder in writing and pay any increase in cost.

12. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS: The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph must be in writing.

A. SELLER has **7** days After Acceptance to deliver to Buyer all reports, disclosures and information for which Seller is responsible under paragraphs 4, 5A, 6, 8C, and 11.

B. (1) BUYER has: **17** days After Acceptance, unless otherwise agreed, in writing, to complete all Buyer Investigations; approve all disclosures, reports and other applicable information, which Buyer receives from Seller; and

approve all matters affecting the Property (including lead-based paint and lead-based paint hazards as well as other information specified in paragraph 5 and insurability of Buyer and the Property.

(2) By the end of the time specified in 12B(1), Buyer may request that Seller make Repairs or take any other action regarding the Property. Seller has no obligation to agree to or respond to Buyer's requests.

(3) Within the time specified in 12B(1), Buyer shall remove, in writing, the applicable contingency or cancel this Agreement. However, if the following inspections, reports or disclosures are not made within the time specified in 12A, then Buyer has 5 days after receipt of any such items, or the time specified in 12B(1), whichever is later, to remove the applicable contingency or cancel this Agreement in writing: (i) government-mandated inspections or reports required as a condition of closing; (ii) a subsequent or amended disclosure pursuant to paragraph 7; and (iii) Proposed Changes pursuant to paragraph 8.

C. Continuation of Contingency or Contractual Obligation; Seller Right to Cancel:

(1) **Seller right to Cancel; Buyer's Contingencies:** Seller, after first giving Buyer a Notice to Buyer to Perform (as specified below), may cancel this Agreement in writing and authorize return of Buyer's deposit if, by the time specified in this Agreement, Buyer does not remove in writing the applicable contingency or cancel this Agreement. Once all contingencies have been removed, failure of either Buyer or Seller to close escrow in time may be a breach of this Agreement.

(2) **Continuation of Contingency:** Even after the expiration of the time specified in 12B, Buyer retains the right to make requests to Seller, remove in writing the applicable contingency or cancel this Agreement until Seller cancels pursuant to 12C(1). Once Seller receives Buyer's written removal of all contingencies, Seller may not cancel this Agreement pursuant to 12C(1).

(3) **Seller right to Cancel; Buyer Contract Obligations:** Seller, after first giving Buyer a Notice to Buyer to Perform (as specified below), may cancel this Agreement in writing and authorize return of Buyer's deposit for any of the following reasons: (i) if Buyer fails to deposit funds as required by 2A; (ii) if the funds deposited pursuant to 2A are not good when deposited. **Seller is not required to give Buyer a Notice to Perform regarding Close of Escrow.**

(4) **Notice to Buyer to Perform:** The Notice to Buyer to Perform shall (i) be in writing; (ii) Signed by the Seller; and (iii) give Buyer at least 24 hours (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform may not be given any earlier than 2 days prior to the expiration of the applicable time for Buyer to remove a contingency or cancel this Agreement or meet an 12C(3) obligation.

D. Effect of Buyer's Removal of Contingencies: If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in a separate written agreement between Buyer and Seller, Buyer shall conclusively be deemed to have (i) completed all Buyer Investigations, and review of reports

and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility, and expense for Repairs or corrections pertaining to that contingency or cancellation right.

E. **Effect of Cancellation on Deposits:** If Buyer or Seller gives written Notice of Cancellation pursuant to rights duly exercised under the terms of this Agreement, Buyer and Seller agree to sign mutual instructions to cancel the sale and escrow and release deposits, less fees and costs, to the party entitled to the funds. Fees and costs may be payable to the service providers and vendors for services and products provided during escrow. **Release of funds will require mutual Signed release instructions from Buyer and Seller, judicial decision or arbitration award.**

13. **FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final inspection of the Property within 5 days prior to Close of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 8A; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement.

14. **ENVIRONMENTAL HAZARD CONSULTATION:** Buyer acknowledges: (i) Federal, state and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (ii) Sellers have made no representations concerning the applicability of any such Law to this transaction or to Buyer or to Seller; and (iii) Buyer is advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.

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

Buyer's initials: _____ / _____ **Seller's initials** _____

16. **DISPUTE RESOLUTION:**

A. **Mediation:** Buyer and Seller agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. Paragraph 16B(2) below applies whether or not the Arbitration provision is initialed. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this

paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorneys fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. Arbitration of Disputes:

(1) Buyer and Seller agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraph 16B(2) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional Law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. The parties shall have the right to discovery in accordance with Code of Civil Procedure section 1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part III of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Interpretation of this agreement to arbitrate shall be governed by the Federal Arbitration Act.

(2) **Exclusions from Mediation and Arbitration:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code section 2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the mediation and arbitration provisions.

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

“WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE ‘ARBITRATION OF DISPUTES’ PROVISION TO NEUTRAL ARBITRATION.”

BUYER’S INITIALS: ____/____ **SELLER’S INITIALS** ____

17. **PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, real property taxes and assessments shall be Paid current and prorated between Buyer and Seller as of Close of Escrow. The property will be reassessed upon a change in ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close of Escrow, by Buyer; and (ii) for periods prior to Close of Escrow, by Seller. Tax bills issued after Close of Escrow shall be handled directly between Buyer and Seller. Prorations shall be made based on a 30-day month.

18. **WITHHOLDING TAXES:** Seller and Buyer agree to execute any instrument, affidavit, statement or instruction reasonably necessary to comply with federal (FIRPTA) and California withholding Law, if required.

19. **ATTORNEY FEES:** In any action, proceeding, or arbitration between Buyer and Seller arising out of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs from the non-prevailing party, except as provided in paragraph 16A.

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

21. **OTHER TERMS AND CONDITIONS:**

A. **Road Share Agreement:** Buyer shall execute the Private Road Improvement and Maintenance Agreement providing for the maintenance, repair and upgrade of the road serving the lots and adjacent properties within **17** days After Acceptance.

B. **Right of First Refusal Option:** Buyer shall grant Seller and the University of Spiritual Healing and Sufism a right of first refusal option to acquire the property at the price and upon such terms as Buyer is willing to sell the property to a third party. The right of first refusal option shall be evidenced by a separate option agreement document executed by the parties at close of escrow.

C. _____

22. **DEFINITIONS:** As used in this Agreement:

A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a party and that acceptance is delivered to and personally received by the other party or that party's authorized agent in accordance with the terms of this offer or a final counter offer.

B. "Agreement" means the terms and conditions of this accepted Vacant Land Purchase Agreement and any accepted counter offers and addenda.

C. "Close of Escrow" means the date the grant deed, or other evidence of transfer of title, is recorded. If the scheduled close of escrow falls on a Saturday, Sunday or legal holiday, then close of escrow shall be the next business day after the scheduled close of escrow date.

D. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.

E. "Days" means calendar days, unless otherwise required by Law.

F. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 pm on the final day.

G. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.

H. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Buyer and Seller agree that electronic means will not be used by either one to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other.

I. "Law" means any Law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.

J. "Notice to Buyer to Perform" means a document which shall be in writing and Signed by Seller and shall give Buyer at least 24 hours to remove a contingency or perform as applicable.

K. "Repairs" means any repairs, alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.

L. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.

M. Singular and Plural terms each include the other, when appropriate.

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

A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow

Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: 1, 2, 4, 11, 12E, 17, 18, 20, 21, 22, and 23. The terms and conditions of the Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provisions upon Escrow Holder's request. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow.

B. A Copy of this Agreement shall be delivered to Escrow Holder within 3 business days After Acceptance. Buyer and Seller authorize Escrow Holder to accept and rely upon Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement.

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

24. **TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the above terms and conditions. All paragraphs with spaces for initials by Buyer and Seller are incorporated in this Agreement only if initialed by all parties. If at least one but not all parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. Buyer has read and acknowledges receipt of a Copy of the offer. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.

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

Date: _____

Date: _____

BUYER _____

BUYER

Print Name _____

Print Name

Address: _____ Address: _____

26. **ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement. ___ (if checked) SUBJECT TO ATTACHED COUNTER OFFER, DATED _____.

Date: _____

SELLER _____

By _____

Print Name _____

Title _____

Address _____

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

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow holder acknowledges receipt of a Copy of this Agreement, (if checked ___ a deposit in the amount of \$ _____), counter offer numbers _____, and agrees to act as Escrow Holder subject to paragraph 23 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

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

Escrow Holder _____ Escrow #

By _____ Date

Address

Phone/Fax/E-mail _____

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

___/___ **REJECTION OF OFFER:** No counter offer is being made. This offer was
reviewed and rejected by Seller on _____ (date).