

AGREEMENT NO. \_\_\_\_\_

**PURCHASE AGREEMENT AND JOINT ESCROW  
INSTRUCTIONS FOR THE SALE OF REAL  
PROPERTY BY AND BETWEEN THE CITY OF  
BAKERSFIELD AND CALCOT LTD.**

**THIS AGREEMENT** is made and entered into on \_\_\_\_\_, by and between the **CITY OF BAKERSFIELD**, a municipal corporation and California charter city (hereinafter "BUYER" or "CITY"), and **CALCOT LTD.**, a California corporation (hereinafter "SELLER").

**R E C I T A L S:**

**WHEREAS**, SELLER holds fee title to approximately 109.73 acres of real property located at 1900 E. Brundage Lane, Bakersfield, California (APN 019-260-02 and 019-260-03), hereinafter "The Calcot Property"; and

**WHEREAS**, BUYER has determined a need for and desire to purchase an estimated 7.5-acre portion of real property located at the southwesterly corner of The Calcot Property, which includes a building comprised of approximately 34,975 sq. ft. of warehouse space and 34,832 sq. ft. of office space, hereinafter "Property 1", and has authorized its purchase for the purpose of building a new, comprehensive homeless shelter and related facilities; and

**WHEREAS**, BUYER has determined a need for and desires to purchase an estimated 10-acre vacant land portion of The Calcot Property located at the southeasterly corner, hereinafter "Property 2", and has authorized its purchase for purposes, such as the development of permanent and supportive Housing, additional City facilities, and/or subdivision or resale; and

**WHEREAS**, it is the intent of the parties to set forth all the covenants and conditions for purchase by BUYER of Property 1 and Property 2 and improvements thereon described in the legal description to be provided prior to the close of escrow and as shown on the drawing marked **Exhibit "A,"** attached hereto and incorporated herein by this reference.

**NOW THEREFORE**, incorporating the above recitals herein, BUYER and SELLER mutually agree as follows:

**1. AGREEMENT TO SELL AND PURCHASE.** SELLER agrees to sell and BUYER agrees to purchase Property 1 and Property 2, collectively known as ("The Properties") in accordance with all the covenants and conditions set forth in this Agreement.

**2. PURCHASE PRICE.** The purchase price of Property 1 is **Three Million Eight Hundred and Twenty-Seven Thousand DOLLARS (\$3,827,000.00)** which is a product of negotiations and includes any and all claims by SELLER for compensation arising from this transaction including, but not limited to, relocation assistance benefits and loss of goodwill.

**2.1** The purchase price of Property 2 is **One Million One Hundred Thousand DOLLARS (\$1,100,000.00)** which is a product of negotiations and includes any and all claims by SELLER for compensation arising from this transaction including, but not limited to, relocation assistance benefits and loss of goodwill.

**3. DEPOSIT.** Within 15 days of full execution of this Agreement, BUYER shall deposit into escrow a good faith deposit in the amount of **Four Hundred Fifty Thousand DOLLARS (\$450,000.00)** with Ticor Title located at 10000 Stockdale Hwy. Suite 101, Bakersfield, CA 93311 ("Escrow Holder" herein). Said deposit shall become nonrefundable and released to SELLER upon BUYER's active removal of contingencies and due diligence period.

**4. BUYER'S CONTINGENCIES.** The closing of this transaction is contingent upon the satisfaction or waiver of the following contingencies. Each of these contingencies must be satisfied prior to any obligation of the BUYER to become effective. The failure to complete these contingencies within the time stated, or within any mutually-agreed extended time, shall terminate this Agreement with no liability of BUYER for any direct or consequential damages:

**4.1 Financing.** Availability of funds for this acquisition.

**4.2 City Council Approval.** Approval of this Agreement by the Bakersfield City Council.

**4.3 Preliminary Title Report and Documents.** Within ten (10) working days of execution of this Agreement by all parties, the following shall occur:

**4.3.1** BUYER shall obtain a preliminary title report (herein "PTR") concerning The Properties issued by Escrow Holder, together with copies of reproducible documents referred to in such PTR, if any.

**4.3.2** SELLER shall provide BUYER copies of all currently effective unrecorded tenant leases, licenses, or other agreements known to SELLER and relating to The Properties.

**4.3.3** BUYER shall deliver to Escrow Holder its written approval or disapproval of any exceptions to the title referred to in paragraphs 4.3.1 and 4.3.2 above within twenty (20) working days after BUYER's receipt thereof. If, after receipt of disapproval of any exceptions to the title, SELLER does not elect to cure all of said exceptions, then BUYER shall have the right either to accept title to The Properties subject to said exceptions, thereby waving any and all claims against SELLER by reason thereof, or to terminate this Agreement. BUYER shall give SELLER such written notice of BUYER's election within the ten (10) working days after receipt of SELLER's election not to cure. If BUYER elects to terminate this Agreement, thereafter neither SELLER nor BUYER shall have any further liability hereunder, except that BUYER shall be entitled to the prompt return of all funds deposited by BUYER with Escrow Holder, less reasonable escrow cancellation fees and costs and title company charges which BUYER hereby agrees to pay.

**4.4 Title Insurance.** Escrow Holder will issue one CLTA title policy covering The Properties insuring title in BUYER's name in an amount equal to the total purchase price of The Properties.

**4.5 Documents.** The delivery of all documents and the due performance by SELLER of each and every undertaking and agreement will be performed by SELLER under this Agreement.

**4.6 Material Change.** No material change, as hereinafter defined, shall have occurred with respect to The Properties, which has not been approved in writing by BUYER. For purposes of this Agreement, a "material change" shall be a change in the status of the use, occupancy, tenants, or condition of The Properties as reasonably expected by the BUYER, that occurs after the date of this Agreement and prior to the close of escrow. BUYER shall have twenty (20) days following receipt of written notice from any source of any such material change within which to approve or disapprove same. Unless otherwise notified in writing by either party, Escrow Holder shall assume that no material change has occurred prior to the close of escrow.

**4.7 No Existing Leases and Tenancy Statements.** SELLER represents that there are no leases, subleases, or rental arrangements (herein the "existing leases") and there will be no existing leases at the close of escrow.

**4.8 Disclosure of Conditions.** SELLER shall disclose all known conditions affecting The Properties, and SELLER will provide to BUYER within five (5) working days of the parties' execution of this Agreement all documents, reports, plans, and citations pertaining to The Properties possessed by SELLER or SELLER's employees, agents or contractors. BUYER will have ten (10) working

days to review such disclosures and material and to determine whether BUYER will proceed with the purchase.

**4.9 Other Agreements.** SELLER shall within five (5) working days of the date of this Agreement provide BUYER with legible copies of all other agreements known to SELLER that will affect The Properties after the closing.

**4.10 Unrecorded Title Matters.** SELLER has no actual knowledge of any encumbrances, covenants, conditions, restrictions, easements, licenses, liens, charges, or other matters which affect the title of The Properties that are not recorded in the Official Records of the Kern County Recorder.

**4.11 Possessory Rights.** SELLER has no knowledge that anyone or any entity will, at the time of the closing, have any right to possession of The Properties, except as disclosed by the SELLER in writing to BUYER.

**4.12 Waiver of BUYER's Contingencies.** All of the above contingencies are for the benefit of, and may be waived in writing by, BUYER and may be elsewhere herein referred to as "BUYER's contingencies."

**5. DUE DILIGENCE PERIOD.** Within thirty (30) days following the Council approval of this Agreement, the BUYER shall inspect and approve in writing, the Due Diligence Items described below and proceed with the purchase of The Properties, or otherwise elect, which election shall be in BUYER's sole and absolute discretion, not to proceed with the purchase of The Properties, in which case this Agreement shall terminate and the Deposit shall be returned to BUYER.

**5.1 Site Assessment.** SELLER agrees to execute any/all documents necessary for BUYER to order and perform, at BUYER's expense, a Phase I environmental site assessment and if deemed necessary by BUYER a Phase II environmental site assessment to be performed by a firm of BUYER's choice.

**5.2 Survey of Land.** SELLER to provide to BUYER copies of any surveys, including the most recent ALTA survey of the Land showing all physical conditions affecting the Property, as well as copies of occupancy permits, all existing and proposed easements, covenants, restrictions, agreements or other documents which affect title to The Properties that are known by the SELLER and that are not disclosed by the Preliminary Report, inventory of any personal property (if any) in SELLER's possession, if any.

**5.3 Studies.** SELLER to provide to BUYER engineering studies, soils reports, environmental reports, assessments and other such studies in SELLER's possession, if any.

**5.4 Right to Enter.** SELLER shall grant BUYER and its agents or consultants the right to enter The Properties to conduct testing and inspections and BUYER agrees to indemnify, SELLER from any liability associated with BUYER, or BUYER's agents, vendors, etc. when entering upon The Properties. Buyer shall indemnify SELLER from any liability associated with BUYER and or BUYER's vendors entering The Properties.

**5.5 Copies.** SELLER shall insure that Copies of any documents or information pertaining to The Properties which BUYER may reasonably request and SELLER has available is provided in a timely manner.

**5.6 Investigation and Inspection.** BUYER shall have the opportunity to conduct a thorough review, investigation and inspection of the physical, environmental, economic and legal condition of The Properties as well as the laws regulations, covenants, conditions and restrictions affecting or governing the use of The Properties and all other matters which a prudent BUYER of commercial real estate should review, investigate or inspect in the course of a due diligence review. BUYER shall indemnify and hold harmless the SELLER against any losses actually suffered by SELLER to the extent as it relates to BUYER's gross negligence or willful misconduct in connection with investigations, testing, and on-site due diligence. The BUYER's obligations under this Agreement shall be contingent upon BUYER's satisfaction and approval of all of the foregoing BUYER contingencies and Due Diligence matters. If BUYER fails to approve any of the matters which are subject to BUYER's Due Diligence review, BUYER shall have the right to cancel this Agreement by written notice to SELLER on or before the expiration of the Due Diligence Period and have all deposits, including the Deposit, returned.

## **6. ADDITIONAL CONDITIONS.**

**6.1** Prior to the close of escrow BUYER to obtain at BUYER's expense plats and legal descriptions for the portions of The Properties being purchased by BUYER.

**6.2** Prior to the close of escrow BUYER at BUYER's expense to have a survey crew identify the new property corners of The Properties so SELLER can install a fence along their new property line.

**6.3** Existing Water and Electrical services for the proposed Properties are currently provided by a private system owned and operated by the SELLER. SELLER will coordinate with BUYER to establish a new connection through respective utility providers in the service area. It is anticipated to take approximately one year to design and construct said new utility connections and then sever connection to existing private systems. SELLER shall continue to

provide both electrical and water services until utility providers connect and install new meters for a standalone system. Seller shall maintain said private utilities in working order to ensure that the proposed Properties have Water and Electrical Service until such time that Buyer can establish the new connections from utility providers. If a failure occurs to the private Water or Electrical services and Buyer is not capable of making repairs in a timely manner, Seller agrees to give Buyer access to their property and private utilities to make the necessary repairs in order to keep the proposed Property in operation. Until such time as the utility providers make the new connection and provide service, BUYER will reimburse SELLER for BUYER pro-rata share of actual costs charged for monthly services by each utility provider. Reimbursement shall be made by SELLER invoicing BUYER monthly for said services. The monthly invoice must include a full copy of the underlying service provider bills. Said invoice shall be delivered to the City of Bakersfield Property Management Department at the address listed in this Agreement.

**6.4** Prior to the close of escrow, SELLER at SELLER's expense shall create a drainage basin on the remainder of SELLER's property to retain any/all drainage from said remainder. Said drainage basin shall prevent any/all drainage from crossing onto The Properties.

**6.5** Prior to the close of escrow, and upon removal of contingencies and the release of deposit to SELLER, SELLER shall allow BUYER access to The Properties, with exception of the SELLER-occupied office area, to begin construction and needed repairs. SELLER agrees to only allow CITY staff and or licensed contractors on the premises to perform work and CITY agrees to hold SELLER harmless with regards to any and all work being completed.

**6.6** BUYER agrees not to provide any housing or shelter services at The Properties while SELLER is still occupying The Properties.

**7. SELLER'S WARRANTIES.** SELLER hereby makes the following warranties and representations to BUYER which shall survive the closing and delivery of the Grant Deed for a period of five (5) years:

**7.1 Authority of SELLER.** SELLER warrants and represents that they are the sole owners, in fee simple, of and have the right and legal ability to transfer The Properties to the BUYER as set forth in this Agreement.

**7.2 Legal Proceedings.** SELLER has no knowledge of any actions, lawsuits, or proceedings pending or threatened before any commission, board, bureau, agency, arbitrator, court, or tribunal that would affect The Properties or the right to occupy or utilize same.

**7.3 Bankruptcy Proceedings.** SELLER is not the subject of a bankruptcy, insolvency, or probate proceeding and has no notice or knowledge that any tenant, lessee, or other person/entity possessing an interest in The Properties is the subject of a bankruptcy or insolvency proceeding.

**7.4 SELLER's Repairs.** SELLER agrees to make the following repairs at its own expense as listed in **Appendix A** attached hereto and incorporated herein (hereinafter "Repairs"):

**7.4.1 Repair Requirements.** Repairs shall be completed no later than December 31, 2019 and prior to final verification of condition as referenced in 7.4.2 unless otherwise agreed in writing. Repairs to be performed at SELLER's expense may be performed by SELLER or through others, provided that the work complies with applicable law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. SELLER shall:

- (i) obtain invoices and paid receipts for Repairs performed by others;
- (ii) prepare a written statement indicating the Repairs performed by SELLER and the date of such Repairs; and
- (iii) provide copies of invoices and paid receipts and statements to BUYER prior to final verification of condition.

**7.4.2 Final Verification of Condition.** BUYER shall have the right to make a final verification within five (5) days prior to the close of escrow, not as a contingency of the sale, but solely to confirm that the Repairs referenced in Paragraph 7.4 have been completed as agreed and SELLER has complied with SELLER's other obligations under this Agreement.

**8. CONVEYANCE OF TITLE.** SELLER agrees to convey to BUYER marketable fee simple title to The Properties free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, licenses, leases, and taxes, excepting those agreed to in writing by BUYER. The amount of any bond or assessment which is a lien shall be paid by SELLER, subject to approval of title report. SELLER shall execute a Grant Deed which conveys clear title to The Properties to BUYER and deliver same to Escrow Holder within fifteen (15) days of the opening of escrow. Any and all water and mineral rights accruing to The Properties shall also be transferred to BUYER without reservation. Further, SELLER acknowledges that the purchase of The Properties include all abutters' rights of SELLER's remaining property adjacent to The Property.

**9. CLOSING COSTS.** BUYER shall be responsible for all normal and reasonable escrow fees, including the costs of title insurance. SELLER shall be responsible for the costs to clear title and all real property taxes and assessments accruing up to the close of escrow. There are to be no prorations of property taxes at the close of escrow as BUYER is a tax-exempt entity and any pro-rata share of taxes due SELLER will be at the sole discretion of the Kern County Treasurer Tax Collector. SELLER shall fully pay the amount of any bond or assessment which is a lien upon The Properties prior to the close of escrow.

**10. ESCROW INSTRUCTIONS.** Within fifteen (15) working days of execution of this Agreement by all parties, each shall deliver to the Escrow Holder any appropriately executed escrow instructions or file a written protest detailing what instructions are not acceptable. This Agreement shall serve as the parties' instructions to the Escrow Holder and shall become part of the escrow instructions for consummation of the purchase and sale of The Properties. BUYER and SELLER agree to execute such additional and supplementary instructions as may be appropriate or required by Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between this Agreement and any additional or supplementary escrow instructions, the terms of this Agreement shall control, unless the parties jointly agree to the contrary. Said escrow instructions are incorporated herein by this reference.

**11. CLOSING DATE.** Close of Escrow shall be five (5) days after the satisfaction of all contingencies set forth herein, and the completion of SELLER's Repairs as set forth in Section 7.4 above, which shall be completed no later than December 31, 2019, unless extended by mutual written agreement of both parties.

**12. POSSESSION OF THE PROPERTIES.** Upon close of escrow, BUYER to take possession of The Properties, except for the areas in accordance with Section 12.1

**12.1 Property 1 Office Area:** BUYER agrees to allow SELLER to remain in possession of the office area of Property 1 for a maximum of 90 days after the close of escrow or March 31, 2020 whichever occurs first. At which time Property 1 shall be totally vacated and cleared of all debris and personal property. BUYER may dispose of any personal property remaining in or on The Properties at the time of transfer of possession without any further liability. Upon close of escrow, SELLER shall provide BUYER with insurance coverage acceptable per CITY Requirements as defined below. Said policies shall remain in force until such time as SELLER vacates Property 1.



**12.1.1 Insurance.** In addition to any other insurance or bond required under this Agreement, the SELLER shall procure and maintain for the duration of this Agreement the following types and limits of insurance ("basic insurance requirements" herein):

**12.1.1.1 Automobile liability insurance.** Providing coverage on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than One Million Dollars (\$1,000,000) per occurrence; and the policy shall provide coverage for owned, non-owned and hired autos.

**12.1.1.2 Broad form commercial general liability insurance,** unless otherwise approved by the CITY's Risk Manager, providing coverage on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than One Million Dollars (\$1,000,000) per occurrence; and the policy shall:

**12.1.1.2.1** Provide contractual liability coverage for the terms of this Agreement.

**12.1.1.2.2** Provide unlimited products and completed operations coverage.

**12.1.1.2.3** Contain an additional insured endorsement in favor of CITY, its mayor, council, officers, agents, employees and volunteers.

**12.1.1.3** All policies shall be written on a first-dollar coverage basis, or contain a deductible provision. Subject to advance approval by the CITY, SELLER may utilize a Self-Insured Retention provided that the policy shall not contain language, whether added by endorsement or contained in the Policy Conditions, that prohibits satisfaction of any Self-Insured provision or requirement by anyone other than the Named Insured, or by any means including other insurance or which is intended to defeat the intent or protection of an Additional Insured.

**12.1.1.4 Workers' compensation insurance** with statutory limits and employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence; and the policy shall contain a waiver of subrogation in favor of CITY, its mayor, council, officers, agents, employees and designated volunteers.

**12.1.1.5** Except for professional liability, all policies required of the SELLER shall be primary insurance as to CITY, its mayor, council, officers, agents, employees or designated volunteers and any insurance or self-

insurance maintained by CITY shall be excess of the SELLER's insurance and shall not contribute with it.

**12.1.1.6** Except for workers' compensation, insurance is to be placed with insurers with a Best's rating as approved by CITY's Risk Manager, but in no event less than A-:VII. Any deductibles, self-insurance retentions or insurance in lesser amounts, or lack of certain types of insurance otherwise required by this Agreement, or insurance rated below Best's A-:VII, must be declared prior to execution of this Agreement and approved by CITY in writing.

**12.1.1.7** Unless otherwise approved by CITY's Risk Manager, all policies shall contain an endorsement providing CITY with thirty (30) days written notice of cancellation or material change in policy language or terms. All policies shall provide that there shall be continuing liability thereon, notwithstanding any recovery on any policy. Copies of policies shall be delivered to CITY on demand.

**12.1.1.8** The insurance required hereunder shall be maintained until all work required to be performed by this Agreement is satisfactorily completed as evidenced by written acceptance by CITY.

**12.1.1.9** The SELLER shall furnish CITY's Risk Manager with a certificate of insurance and required endorsements evidencing the insurance required. The CITY may withdraw its offer of contract or cancel this contract if certificates of insurance and endorsements required have not been provided prior to the execution of this Agreement.

**12.1.1.10** Full compensation for all premiums which the SELLER is required to pay on all the insurance described herein shall be considered as included in the prices paid for the various items of work to be performed under the Agreement, and no additional allowance will be made therefore or for additional premiums which may be required by extensions of the policies of insurance.

**12.1.1.11** It is further understood and agreed by the SELLER that its liability to CITY shall not in any way be limited to or affected by the amount of insurance obtained and carried by the SELLER in connection with this Agreement.

**12.1.1.12** Unless otherwise approved by CITY, if any part of the work under this Agreement is subcontracted, the "basic insurance requirements" set forth above shall be provided by, or on behalf of, all subcontractors even if CITY has approved lesser insurance requirements for SELLER.

**12.1.1.13 Indemnification.** SELLER shall indemnify, defend, and hold harmless CITY, its officers, agents, and employees against any and all liability, claims, actions, causes of actions, or demands whatsoever against them, or any of them, for injury to or death of persons or damage to property arising out of, connected with, or caused by SELLER or SELLER'S employees, agents or independent contractors or companies in the performance of, or in any way arising from, the terms and provisions of this Lease, whether or not caused in part by a party indemnified hereunder, except for CITY's sole active negligence or willful misconduct.

**13. NO WAIVER OF DEFAULT.** The failure of any party to enforce against another party any provision of this Agreement shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Agreement.

**14. GOVERNING LAW.** The laws of the State of California will govern the validity of this Agreement, its interpretation and performance. Any litigation arising in any way from this Agreement shall be brought in Kern County, California.

**15. TIME.** Time is of the essence in this Agreement.

**16. BINDING EFFECT.** The rights and obligations of this Agreement shall inure to the benefit of, and be binding upon, the parties to the Agreement and their heirs, administrators, executors, personal representatives, successors and assigns.

**17. BROKERS AND FINDERS.** The parties acknowledge and represent that BUYER shall pay no commission to any broker or finder in connection with the purchase and sale of The Properties. BUYER and SELLER have dealt with no other real estate brokers concerning this transaction except for Cushman & Wakefield | Pacific Commercial Realty Advisors, who represents BUYER, and Colliers International, who represents SELLER. SELLER shall pay, through escrow, a sales commission in the amount of \$180,000 to be split 50/50 between the two brokers.

**18. MERGER AND MODIFICATION.** This Agreement sets forth the entire Agreement between the parties and supersedes all other oral or written representations. This Agreement may be modified only in a writing approved by the CITY Council and signed by all the parties.

**19. CORPORATE AUTHORITY.** Each individual signing this Agreement on behalf of entities represents and warrants that they are, respectively, duly

authorized to sign on behalf of the entities and to bind the entities fully to each and all of the obligations set forth in this Agreement.

**20. EXECUTION.** This Agreement is effective upon execution. It is the product of negotiation and all parties are equally responsible for authorship of this Agreement. Section 1654 of the California Civil Code shall not apply to the interpretation of this Agreement.

**21. EXHIBITS.** In the event of a conflict between the terms, conditions or specifications set forth in this Agreement and those in exhibits attached hereto, the terms, conditions or specifications set forth in this Agreement shall prevail. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached.

**22. FURTHER ASSURANCES.** Each party shall execute and deliver such papers, documents and instruments, and perform such acts as are necessary or appropriate, to implement the terms of this Agreement and the intent of the parties to this Agreement.

**23. HAZARDOUS MATERIALS.**

**23.1** SELLER knows of no hazardous material(s) stored, dumped or in any way placed in, on, over or about The Properties. SELLER knows of no activities, either public or private, wherein SELLER or a third party has placed or dumped any hazardous material of any nature in, on, over, or about The Properties. SELLER takes full responsibility for cleaning up any hazardous material placed in, on or about The Properties at any time prior to BUYER taking title and will fully indemnify, defend, and hold BUYER, and BUYER's Council, Mayor, officers, agents, representatives, employees, successors, and assigns, harmless from any and all liability, claims, actions, injuries, losses, causes of action or demands whatsoever arising from hazardous materials found in, on, over, or about The Properties placed prior to BUYER taking title.

**23.2** As used herein, the term "hazardous material" shall mean any hazardous or toxic wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR Section 172.101) or by the United States Environmental Protection Agency as Hazardous Substances (40 CFR Part 3.02) and amendments thereto, or any substances, materials, and wastes that are or become regulated under any applicable local, state, or federal law.

**24. ASSIGNMENT.** Neither this Agreement nor any rights, interests, duties, liabilities, obligations or responsibilities arising out of, concerning or related in any way to this Agreement (including, but not limited to, accounts,

actions, causes of action, claims, damages, demands, liabilities, losses, obligations, or reckonings of any kind or nature whatsoever, for compensatory or exemplary and punitive damages, or declaratory, equitable or injunctive relief, whether based on contract, equity, tort or other theories of recovery provided for by the common or statutory law) may be assigned or transferred by any party. Any such assignment is prohibited, and shall be unenforceable and otherwise null and void without the need for further action by the non-assigning party or parties.

**25. NON-INTEREST.** No officer or employee of BUYER shall hold any interest in this Agreement (California Government Code section 1090).

**26. NOTICES.** All notices relative to this Agreement shall be given in writing and shall be personally served or sent by certified or registered mail and be effective upon actual personal service or depositing in the United States mail. The parties shall be addressed as follows or at any other address designated by notice:

To BUYER: CITY OF BAKERSFIELD  
Attention: Property Management  
1600 Truxtun Avenue  
Bakersfield, CA 93301

To SELLER: CALCOT LTD.  
Attention: Paul E. Bush  
1900 East Brundage Lane  
Bakersfield, CA 93307

CALCOT LTD.  
P.O. Box 259  
Bakersfield, CA 93302

**27. TERMINATION.** This Agreement may be cancelled and terminated at any time by mutual written consent of the BUYER and SELLER.

[SIGNATURES FOLLOW ON NEXT PAGE]

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed, the day and year first-above written.

"BUYER"

"SELLER"

**CITY OF BAKERSFIELD**

**CALCOT LTD.**

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

**KAREN GOH**  
Mayor

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

**PAUL E. BUSH**  
President & CEO

APPROVED AS TO CONTENT:  
**CITY MANAGER**

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

**ALAN TANDY**  
City Manager

APPROVED AS TO FORM:  
**VIRGINIA GENNARO**  
City Attorney

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

**JOSHUA H. RUDNICK**  
Deputy City Attorney

Insurance: \_\_\_\_\_

COUNTERSIGNED:

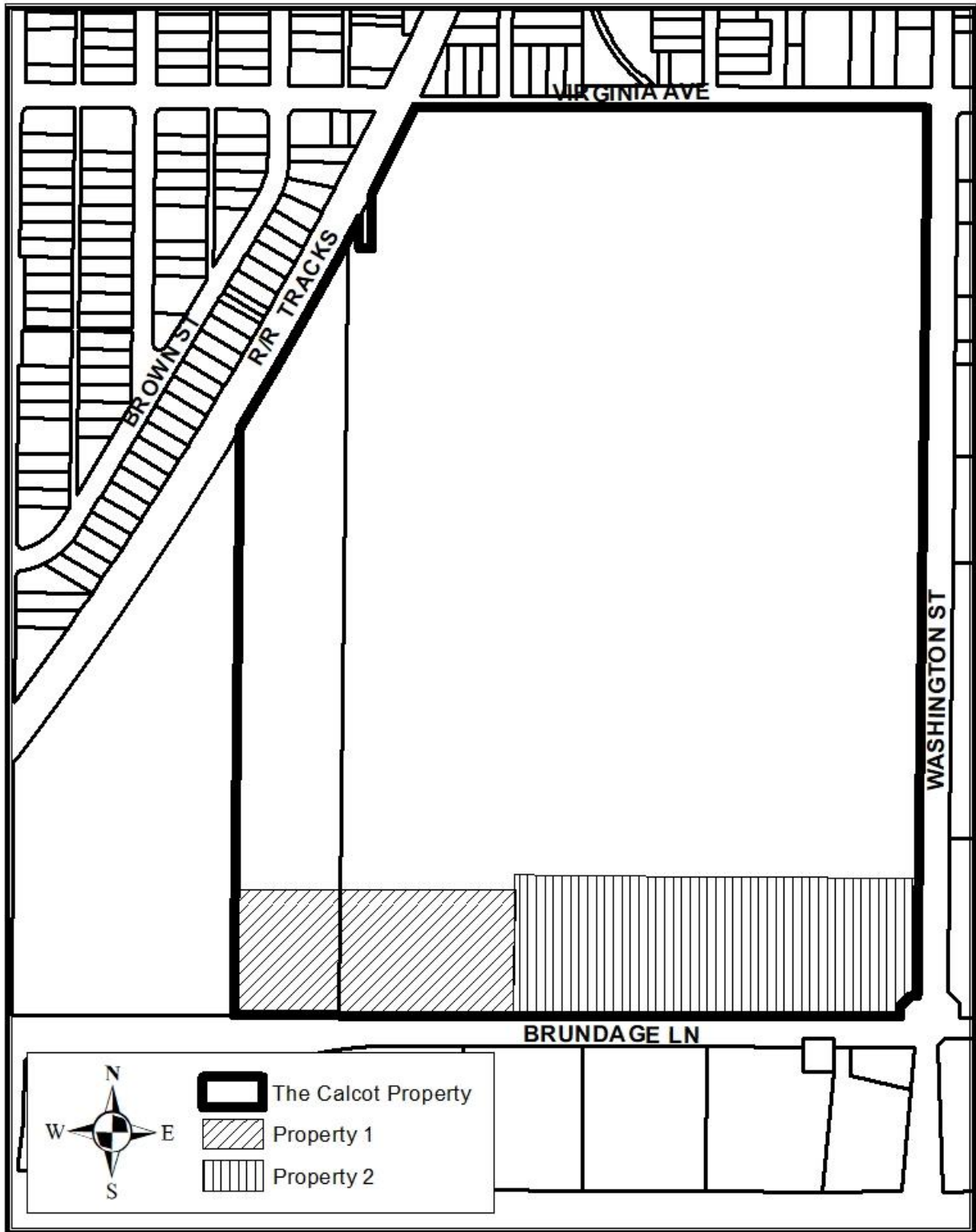
By: \_\_\_\_\_

**RANDY MCKEEGAN**  
Finance Director

JHR;CJO/vlg

Attachments: Exhibit "A"; Appendix A

## EXHIBIT "A"



## APPENDIX "A"

<b>OWNERS WORK/REPAIRS</b>
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ROOF

FLOOR REPAIR

PAINT

FENCES

COOLERS/HEATERS