

**REAL PROPERTY PURCHASE AND SALE AGREEMENT WITH JOINT ESCROW INSTRUCTIONS
BY AND BETWEEN THE COUNTY OF TULARE AND GUILLON, INC.
(8040 W. DOE AVENUE, VISALIA, CA 93291)**

This **REAL PROPERTY PURCHASE AND SALE AGREEMENT WITH JOINT ESCROW INSTRUCTIONS** (the "Agreement") is made and effective as of May 1, 2023 (the "Effective Date"), by and between the **COUNTY OF TULARE**, a political subdivision of the State of California (the "**COUNTY**") and **GUILLON, INC.**, a California corporation (the "**SELLER**"). The **COUNTY** and the **SELLER** are each a "**Party**" and collectively are the "**Parties**" to this Agreement, which is made with reference to the following facts, understandings, and intentions of the Parties:

RECITALS

WHEREAS, the **SELLER** is the sole owner of the legal and beneficial interests in the improved real property identified below (the "Property" or "Real Property"), which Property contains an improved building with approximately 73,500 square feet of leasable office and warehouse space; and

WHEREAS, the **COUNTY** is the current lessee of portions of the Property, with its Department of Child Support Services ("DCSS") occupying approximately 26,022 square feet of the improved office space, its Health and Human Services Agency ("HHS") occupying approximately 1,920 square feet of office space and approximately 26,500 square feet of warehouse space on the Property, and a private tenant of **SELLER** occupying approximately 6,740 square feet of warehouse space therein; and

WHEREAS, the **COUNTY** desires to purchase the Property for its continued use and the **SELLER** is willing to sell the Property to the **COUNTY** under the terms and conditions of this Agreement; and

WHEREAS, the **COUNTY** and the **SELLER** have negotiated in good faith and now desire to enter into this Agreement to carry out such purchase and sale.

NOW, THEREFORE, in consideration of the above-referenced facts, the mutual covenants of the Parties contained in this AGREEMENT and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Article I
Defined Terms**

1. Defined Terms.

For the purpose of this Agreement, the terms set forth below have the following meanings:

1.1 **Business Days.** "Business Days" means Mondays through Fridays and excludes Saturdays, Sundays, and public holidays.

1.2 **Close of Escrow.** "Close of Escrow" means the consummation of the purchase and sale transaction contemplated by this Agreement, as evidenced by Escrow Holder's commitment to record the Deed in the Official Records of Tulare County, California, the delivery of the entire amount of the Total

Article II Agreement of Sale

2. Purchase and Sale.

2.1. Agreement to Purchase and Sell. The COUNTY agrees to purchase from the SELLER and the SELLER agrees to sell the Property to the COUNTY for the Total Purchase Price and upon the terms and conditions hereinafter set forth in this Agreement.

3. Total Purchase Price and Terms of Payment.

3.1. Total Purchase Price. The Parties have agreed to a Total Purchase Price of **TEN MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$10,950,000.00)** for the Property, which consists of a basic purchase price of \$10,500,000 plus the COUNTY's repayment to the SELLER of \$450,000.00 representing the SELLER's unamortized costs of certain tenant improvements previously made to the Property by the SELLER for the COUNTY's benefit.

3.2. Payment of Total Purchase Price. The COUNTY shall pay the Total Purchase Price as follows:

3.2.1. Deposits. Within ten (10) Business Days after the Effective Date of this Agreement, the COUNTY shall deposit with Escrow Holder the sum of **FIVE THOUSAND DOLLARS (\$5,000.00)** (the "First Deposit"). Within ten (10) Business Days after the COUNTY gives its Approval Notice under section 4.2.2 below, then the COUNTY shall deposit with Escrow Holder an additional sum of **FIFTY THOUSAND DOLLARS (\$50,000.00)** (the "Second Deposit"). Within ten (10) Business Days after the SELLER notifies the COUNTY of the Closing Date under section 5.2.2 below, then the COUNTY shall deposit with Escrow Holder an additional sum of **ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00)** (the "Third Deposit"). The First Deposit, the Second Deposit, and the Third Deposit are collectively referred to as the "Deposits." All Deposits shall be in cash, by a confirmed wire transfer or other electronic transfer of immediately available funds.

3.2.2. Escrow Holder Custody and Disposition of Deposit. The Escrow Holder shall place the entire amount of each Deposit upon receipt in the Escrow Holder's trust account which is consistent with the timing requirements of this transaction and satisfactory to the SELLER and the COUNTY (the "**Escrow Account**"), pending disbursement in accordance with the terms of this Agreement. The Escrow Account will be an interest-bearing account if practicable. Interest, if any, accruing on the funds in the Escrow Account will accrue to the benefit of the COUNTY and will be applied to the COUNTY's obligations hereunder.

3.2.3. Application of Deposits. The Deposits shall be credited and applied as follows: (a) if the Close of Escrow occurs as provided below, then the Deposits shall be applied to the payment of the Total Purchase Price pursuant to Section 5.2.1 below; OR (b) if the Close of Escrow fails to occur as a result of a default by the COUNTY, then the First Deposit and the Second Deposit shall be disbursed by Escrow Holder to the SELLER, without the necessity of any further instructions, consent or approval of the COUNTY or any third party, and the SELLER shall have the right to the First Deposit and the Second Deposit as the liquidated damages pursuant to Section 7.1 below, with the Third Deposit to be returned to the COUNTY without the necessity of any further instructions, consent or approval of the SELLER or any third party; OR (c) if the Close of Escrow fails to occur for any reason other than a default by the COUNTY, then

all of the Deposits shall be returned to the COUNTY without the necessity of any further instructions, consent or approval of the SELLER or any third party and this Agreement shall terminate, except for the Surviving Obligations of this Agreement.

3.3. Closing Funds. No later than 10:00 a.m. (Pacific Time) on the Closing Date, the COUNTY shall deposit or cause to be deposited with Escrow Holder, in cash or by a confirmed wire transfer of immediately available funds, the sum of (a) an amount equal to the Total Purchase Price minus the Deposits (the "**Purchase Price Balance**"), plus (b) any amounts in addition to the Deposits and the Purchase Price Balance as are necessary to pay the COUNTY's share of closing costs, prorations, and charges payable pursuant to this Agreement, less any adjustments to be made pursuant to Section 5.5 below.

3.4. Taxes, Fees & Cost. The Parties agree that any taxes, fees, or costs incurred in connection with this transaction shall be paid as follows:

3.4.1. The COUNTY shall pay the cost of any transfer tax required to be paid pursuant to this transaction.

3.4.2. The COUNTY shall pay for all recording costs.

3.4.3. The SELLER shall pay any delinquent taxes and assessments with respect to the property. Non-delinquent special taxes and assessments with respect to the Property must be prorated between the COUNTY and the SELLER as of the Closing Date, on the basis of the actual number of days during the month in which the Close of Escrow occurs, based on the most recent official tax bills or notice of valuation available to the general public for the fiscal year in which the Close of Escrow occurs. With respect to non-delinquent general and supplemental *ad valorem* real property taxes, because the COUNTY is a public agency, such taxes terminate on the Closing Date and therefore such taxes will not be prorated (but the SELLER may seek and obtain a refund for any such taxes paid on account of the period after the Closing Date). To the extent the tax bills do not accurately reflect the actual taxes assessed against the Property (or any portion of the Property) and allocable either to the period before the Closing Date or to the period after the Closing Date, then the COUNTY and the SELLER shall adjust the actual taxes between them, outside of Escrow, as soon as reasonably possible following the Close of Escrow.

3.4.4. The SELLER and the COUNTY each shall pay their own attorney's and consultant's fees and expenses incurred with respect to this transaction, except for the COUNTY's brokerage fees, which shall be paid by the COUNTY to MD Graham & Associates, Inc. (DRE License # 01804235) in an amount equal to 3% of the Total Purchase Price upon Close of Escrow.

3.4.5. Insurance premiums (if any) for the SELLER's property, liability, or fire insurance on the Property shall not be prorated. All such existing insurance policies (if any) shall be canceled at the time of Close of Escrow and the COUNTY acknowledges and agrees that the SELLER cannot endorse any such existing insurance policies to the COUNTY.

3.4.6. All other costs and expenses incident to this transaction and the Close of Escrow thereof, and not specifically described herein, shall be paid by the Party incurring the same.

4. COUNTY's Due Diligence.

4.1. Title Review.

4.1.1. The SELLER hereby instructs the Escrow Holder to obtain and within thirty (30) days of the Effective Date to provide the COUNTY with a Preliminary Title Report with respect to the Property, together with copies of the instruments underlying all exceptions which are referred to in the Preliminary Title Report, and a color-coded map with plotted easements shown (collectively, the "Title Documents").

4.1.2. The COUNTY is entitled to review and approve the Title Documents and the underlying exceptions referred to in that Title Documents for a period of twenty (20) days following the date of delivery of the Title Documents ("**Title Notice Deadline**"). By said Title Notice Deadline, the COUNTY shall have to either approve in writing of the exceptions to title and other matters contained in Title Documents or to deliver written notice to the SELLER and Escrow Holder (the "**Title Objection Notice**") specifying any title objections or other matters in the Title Documents to which the COUNTY objects or conditionally approves (collectively, "**Title Objections**"). The COUNTY's failure to timely deliver a Title Objection Notice shall be deemed to be the COUNTY's unconditional approval of the condition of title and all matters of title set forth in the Title Documents.

Notwithstanding the foregoing, the COUNTY is not required to give a Title Objection Notice for removal of debts, liens to secure debts, delinquent taxes or assessments, or other financing or monetary encumbrances upon the Property, including, but not limited to, any deed of trust, mortgage, or the equivalent which secures payment of a loan with the Property as security or collateral for such loan, it being expressly agreed that such items will not be Permitted Title Exceptions.

4.1.3. The SELLER shall have five (5) Business Days after receipt of the Title Objection Notice, to elect, in the SELLER's sole discretion, by written notice to the COUNTY and the Escrow Holder (the "**Title Response Notice**") to either (a) attempt to remove or cure some or all of the Title Objections (or to satisfy the conditions of the COUNTY's approval thereof) prior to the Closing Date (in each case, a "**Cure**"), or (b) advise the COUNTY that the SELLER is unable or unwilling to attempt to Cure any or all of the Title Objections. The Escrow Period and Closing Date shall be extended proportionately to the amount of time required for the SELLER to Cure. The SELLER may Cure any Title Objection by causing the Title Company to endorse or insure over such Title Objection in a manner reasonably acceptable to the COUNTY.

4.1.4. If the SELLER fails to timely deliver to the COUNTY the Title Response Notice, it shall be conclusively deemed that the SELLER has informed the COUNTY that the SELLER is unable or unwilling to attempt to cure any of the Title Objections. If the SELLER advises the COUNTY in the SELLER's Title Response Notice (or is deemed to have advised the COUNTY) that the SELLER is unable or unwilling to attempt to Cure any or all of the Title Objections, then the COUNTY shall have until five (5) days before the Closing Date (as extended, if applicable) to either terminate this Agreement or to waive such Title Objections pursuant to an Approval Notice delivered to the SELLER and Escrow Holder in accordance with Section 4.2.2 below.

4.1.5. Notwithstanding anything to the contrary contained in this Agreement, the COUNTY's delivery of an Approval Notice to the SELLER pursuant to Section 4.2.2 below shall be deemed to be the COUNTY's election to waive all Title Objections with respect to the Title Documents and the COUNTY's

approval of the Title Documents and all title exceptions and other matters disclosed thereby (other than those Title Objections which the SELLER has expressly elected to Cure).

4.1.6. SELLER's Cure of Title Objections. The SELLER's election pursuant to any Title Response Notice to attempt to Cure any Title Objection shall be at the SELLER's sole option and discretion; it being understood the SELLER has no obligation to Cure any Title Objections other than as expressly provided in Section 4.1.2 above as to debts, liens, delinquent taxes and assessments, and the like. If the SELLER does not elect to attempt to Cure any Title Objection, or if the COUNTY fails to reasonably approve the SELLER's election to Cure any Title Objection by the SELLER's causing the Title Company to endorse or insure over such Title Objection or if the SELLER elects to attempt to Cure any Title Objection but the SELLER is thereafter unable to Cure such Title Objection by the Closing Date (defined below), or any extension thereof, then in each instance the COUNTY's sole recourse shall be to either: (a) terminate this Agreement, in which event (i) the Deposit (to the extent made by the COUNTY) shall be promptly returned to the COUNTY, and (ii) except for the Surviving Obligations, neither the SELLER or the COUNTY shall have any further liability or obligation to the other under this Agreement, or (b) proceed to the Close of Escrow under this Agreement and take title to the Property subject to such Title Objections which have not been Cured without any reduction in the Total Purchase Price, in which case such Title Objections which have not been Cured shall become "**Permitted Title Exceptions.**"

4.2. Physical Inspections.

4.2.1. Inspections, Tests and Studies. The SELLER shall permit the COUNTY and the COUNTY's authorized agents, consultants, representatives and contractors to enter upon the Property during reasonable business hours to make and conduct such reasonable non-invasive environmental evaluations and other non-invasive inspections, investigations, tests and studies of the physical condition of the Property, including a routine building inspection, as the COUNTY may elect to make or obtain prior to the Closing Date. Any evaluations, inspections, investigations, tests or studies made or conducted by or on behalf of the COUNTY or any of the COUNTY's agents, consultants, representatives or contractors with respect to the Property and any entries by the COUNTY or the COUNTY's agents, consultants, representatives or contractors in, on or about the Property are referred to herein collectively as the "**COUNTY's Property Investigations**". Notwithstanding anything to the contrary contained in this Agreement, the COUNTY shall not be permitted to undertake any invasive, intrusive or destructive investigation, testing or study of the Property, including any "Phase II" environmental assessment or audit or any testing or sampling of the soil, surface water, groundwater, air or mold, without in each instance first providing written notice to SELLER describing the proposed test, which shall then have five (5) business days to object in writing to the proposed test.

4.2.2. Approval or Disapproval of Inspections, Tests and Studies. The COUNTY shall have until June 30, 2023 to approve in the COUNTY's sole and absolute discretion the results of any the COUNTY's Property Investigations as the COUNTY deems appropriate to have made or performed by delivering an "Approval Notice" to the SELLER and Escrow Holder. The COUNTY's failure to deliver an Approval Notice to the SELLER and Escrow Holder prior to June 30, 2023 shall be deemed to be the COUNTY's disapproval of the COUNTY's Property Inspections, and the COUNTY shall be deemed to have elected to terminate this Agreement pursuant to Section 4.3 below.

4.3. Disapproval or Approval of Property; Agreement Termination Notice. If, for any reason or no reason whatsoever, any of the COUNTY's findings after any COUNTY's Property Investigations are

unsatisfactory in the COUNTY's sole and absolute discretion or the COUNTY is not satisfied with any aspect of the Property, including the title issues, or the condition and suitability of the Property for the COUNTY's contemplated ownership and use thereof, then the COUNTY may, at the COUNTY's sole option, elect to terminate this Agreement by delivering a written notice of termination ("**Termination Notice**") to the SELLER and Escrow Holder by June 30, 2023. If the COUNTY delivers such a Termination Notice to the SELLER and Escrow Holder, then (i) this Agreement shall automatically terminate, (ii) Escrow Holder shall return the Deposits to the COUNTY without the necessity of any escrow cancellation or other instructions, consent or approval of the SELLER or any third party, and (iii) neither the COUNTY nor the SELLER shall have any further rights or obligations under this Agreement, except for the Surviving Obligations.

4.4. Investigations, Obligations, and Indemnity.

4.4.1. Inspection Obligations. The COUNTY agrees that when entering the Property and conducting any investigations, inspections, tests and studies of the Property, the COUNTY and the COUNTY's agents, consultants, representatives and contractors shall be obligated to: (a) comply in all material respects with all terms of all applicable laws and regulations regarding entry to the Property; (b) not disturb the tenants or other occupants of the Property; (c) not damage any part of the Property, including any personal property owned or held by the tenants or any other occupants of the Property, or their respective agents, contractors and employees, or any other third party; (d) not injure or otherwise cause bodily harm to the SELLER's employees, the tenants or other occupants of the Property or any other third party; (e) promptly pay when due all costs incurred by the COUNTY with regard to all inspections, tests, investigations, studies and examinations of the Property performed by or on behalf of the COUNTY; (f) not permit any labor or materials liens to attach to the Property or any adjacent property by reason of the inspections, tests, investigations, studies and examinations performed by the COUNTY and the COUNTY's agents, consultants, representatives, and contractors, and promptly remove or cause to be removed (by bonding or otherwise) any such liens which attach (or purport to attach) to the Property or any adjacent property; (g) the COUNTY shall carry, or the COUNTY shall require anyone acting on the COUNTY's behalf to carry policies of liability, workers' compensation, and other applicable insurance defending and protecting the SELLER from liability for any injuries to persons or property occurring during any inspections or work done on the Property at the COUNTY's discretion and shall provide the SELLER with proof of such insurance prior to entry upon the Property for any purpose; (h) substantially restore the Property to the condition in which the same was found before any such inspections, tests or studies were undertaken; and (i) comply with the terms and provisions of this Section 4.4.1.

4.4.2. Indemnity. To the fullest extent permitted by law, the SELLER will hold harmless, defend and indemnify the COUNTY and its officers, agents, volunteers, employees, contractors and employees from and against any liability, claims, actions, costs, damages, losses and expenses for injury, including without limitation, the death of any person or damage to any property; enforcement actions resulting from the SELLER's or the SELLER's agents', employees', or contractors', negligent or intentionally wrongful acts or omissions with respect to the Premises. The SELLER's obligation will continue beyond the Closing Date as to any act or omission which occurred during the steps leading to the Closing Date of this Agreement.

To the fullest extent permitted by law, the COUNTY will hold harmless, defend and indemnify the SELLER and its officers, agents, volunteers, contractors and employees from and against any liability, claims, actions, costs, damages, losses and expenses for injury, including without limitation, the death of any person or damage to any property; enforcement actions under California Prevailing Wage laws with

respect to work done by the COUNTY, or under other applicable statute or ordinance; or resulting from the COUNTY's or the COUNTY's agents', employees', or contractors,' negligent or intentionally wrongful acts or omissions with respect to the Premises. The COUNTY's obligation will continue beyond the Closing Date as to any act or omission which occurred during steps leading to the Closing Date of this Agreement.

5. Escrow.

5.1. Establishment of Escrow. Upon execution of this Agreement by both the SELLER and the COUNTY, the Parties hereto shall deposit a copy of a fully-executed counterpart of this Agreement with Escrow Holder and this Agreement shall serve as the instructions to Escrow Holder for consummation of the purchase and sale contemplated by this Agreement. For purposes of this Agreement, the Escrow shall be deemed opened (the "**Opening of Escrow**") on the date the Escrow Holder shall have received both a fully executed original or originally executed counterparts of this Agreement from both the COUNTY and the SELLER. The SELLER and the COUNTY shall use their commercially reasonable efforts to cause the Opening of Escrow to occur no later than five (5) Business Day following the Effective Date. Escrow Holder shall promptly notify the SELLER and the COUNTY in writing of the date of the Opening of Escrow. The SELLER and the COUNTY agree to execute such reasonable additional and supplementary escrow instructions as may be appropriate to enable the Escrow Holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any such additional or supplementary escrow instructions, the terms of this Agreement shall control.

5.2. Close of Escrow.

5.2.1. Close of Escrow. The Close of Escrow shall occur on the Closing Date in the Escrow through the offices of Escrow Holder. Each Party shall timely deposit with Escrow Holder the funds, documents and supplementary written escrow instructions required by this Agreement to consummate the Close of Escrow for the sale and transfer of the Property in accordance with this Agreement.

5.2.2. Closing Date. The Close of Escrow shall occur on a date to be selected by SELLER but no later than January 5, 2024 (the "**Closing Date**"), unless otherwise extended pursuant to the terms of this Agreement. The SELLER shall promptly notify COUNTY and Escrow Holder in writing of its selected Closing Date. Time is of the essence with respect to such Closing Date, and such Closing Date may not be extended, except as otherwise provided in this Agreement, without the prior written approval of both the SELLER and the COUNTY.

5.2.3. Possession. At the Close of Escrow, the SELLER shall deliver possession of the Property to the COUNTY subject to the rights of the occupants in possession, and the Permitted Title Exceptions.

5.2.4. Title Vesting. At the Close of Escrow, clear and marketable title shall vest in the COUNTY or its assignees, free of restrictions, liens, and encumbrances except as to those restrictions, liens, and encumbrances specifically allowed by Section 4 above, or otherwise approved in writing by the COUNTY.

5.3. Closing Deliveries.

5.3.1. SELLER's Closing Documents. Upon the Close of Escrow, the SELLER shall deliver to Escrow Holder for delivery to the COUNTY, as applicable, all of the following documents (collectively, the "SELLER Closing Documents"): (a) a Deed in substantially the form attached as **Exhibit "B"** hereto, executed and acknowledged by the SELLER; (b) an assignment to the COUNTY of the existing leases or rental agreements and the existing janitorial services contract pertaining to the Property, in forms acceptable to the COUNTY and Escrow Holder; (c) security deposits and pro-rated monthly rents from all tenants of the Property in accordance with Section 8.12 below; (d) evidence of the existence, organization and authority of the SELLER and of the authority of the person executing documents on behalf of the SELLER reasonably satisfactory to the Title Company; (e) parking lease agreement and assignment; (f) all written disclosures required by law; and (g) such other documents as may be reasonably required by Escrow Holder or the Title Company (provided, however, no such additional document shall expand any obligation, covenant, representation or warranty of the SELLER or result in any new or additional obligation, covenant, representation or warranty of the SELLER under this Agreement beyond those expressly set forth in this Agreement).

5.3.2. COUNTY's Closing Documents. At the Close of Escrow, in addition to the Deposit, the Purchase Price Balance and the COUNTY's delivery of any additional funds necessary to pay the COUNTY's share of prorations and closing costs hereunder, the COUNTY shall deliver the following documents (collectively, the "COUNTY Closing Documents") to Escrow Holder for delivery to the SELLER upon the Close of Escrow: (a) evidence of the existence, organization and authority of the COUNTY and of the authority of the person(s) executing documents on behalf of the COUNTY reasonably satisfactory to the Title Company; (b) such reasonable and customary documents and other information as may be required to exempt the recordation of the Deed and the conveyance of the Property from payment of Documentary Transfer Tax; (c) executed certificate of acceptance in the form attached hereto as **Exhibit "C,"** and (d) such other documents as may be reasonably required by Escrow Holder or the Title Company (provided, however, no such additional document shall expand any obligation, covenant, representation or warranty of the COUNTY or result in any new or additional obligation, covenant, representation or warranty of the COUNTY under this Agreement beyond those expressly set forth in this Agreement).

5.4. Closing Costs.

5.4.1. SELLER's Closing Costs. At the Close of Escrow the SELLER shall pay to Escrow Holder, as applicable, (a) all legal and professional fees and fees of other consultants incurred by the SELLER; (b) the SELLER's share of all Escrow fees and Escrow costs related to the purchase and sale of the Property; and (c) the cost of the Title Policy.

5.4.2. COUNTY's Closing Costs. At the Close of Escrow, in addition to the Deposit and the Purchase Price Balance, the COUNTY shall pay to Escrow Holder, as applicable, (a) the cost of the Title Policy in excess of the basic premium for a CLTA standard coverage owner's policy of title insurance; (b) the cost of any endorsements to the Title Policy; (c) all legal and professional fees and fees of other consultants incurred by the COUNTY; and (d) the COUNTY's share of all Escrow fees and Escrow costs related to the purchase and sale of the Property.

5.5. Prorations.

5.5.1. General. Non-delinquent taxes and assessments on the Property are to be adjusted and prorated between the COUNTY and the SELLER by the Escrow Holder as of 11:59 p.m. (Pacific Time) on the day immediately preceding the day upon which the Close of Escrow occurs (the "**Adjustment Time**") in accordance with Sections 3.4.3 above and 5.6.3 below. Such adjustments and prorations shall be calculated on the actual days of the applicable month in which the Close of Escrow occurs and all annual prorations shall be based upon a three hundred sixty-five (365)-day year. The net amount resulting from the prorations and adjustments provided for in this Section 5.5, along with the allocation of closing costs in accordance with Section 5.4 above, shall be added to (if such net amount is in the SELLER's favor) or deducted from (if such net amount is in the COUNTY's favor) the funds to be delivered at Close of Escrow by the COUNTY in payment of the Total Purchase Price. Any other closing prorations and adjustments which are customarily made in similar commercial real estate sales transactions and are not addressed in this Section 5.5 shall be made between the SELLER and the COUNTY in accordance with the customary practice for commercial real estate transactions in Tulare County, California. All provisions of this Section 5.5 shall survive the Close of Escrow and the recordation of the Deed for a period of six (6) months following the Close of Escrow and shall not merge into the Deed and the other documents and instruments delivered at Close of Escrow but shall terminate upon the expiration of such six (6) month period.

5.6. Escrow Holder's Duties on Close of Escrow.

5.6.1. The Escrow Holder will provide the Parties, at least ten (10) Business Days before the Closing Date, with *pro forma* closing statements in addition to providing a *pro forma* Title Policy to the COUNTY.

5.6.2. The Escrow Holder will give notice to both the COUNTY and the SELLER at least ten (10) Business Days before the Close of Escrow of its intention to close escrow ten (10) Business Days thereafter and will provide *pro forma* documents including a Deed with legal description to be provided by the SELLER for review and approval by the COUNTY. Escrow Holder will notify the COUNTY at least ten (10) Business Days before the Close of Escrow of any other deposits required of the COUNTY. Escrow Holder will follow up on approval of the Deed documents and of the *pro forma* closing statements with the Parties at least 5 days before Close of Escrow.

5.6.3. At the Close of Escrow, the Escrow Holder will (a) ascertain any delinquent taxes or assessments due for general, supplemental, and special taxes and for special assessments. Upon ascertainment of any such amount, the Escrow Holder will require the SELLER to deposit such amounts or deduct from the Total Purchase Price the equivalent amount for such delinquent taxes or delinquent assessments and pay same. To the extent there is any non-delinquent special assessment on the Property, the Escrow Holder will notify the COUNTY of its share due with regard to any such assessment district before the time of the Close of Escrow; (b) prepare any preliminary or change of ownership statements as required by law; (c) deliver the Title Policy to the COUNTY; (d) deliver the Total Purchase Price to the SELLER, less the SELLER's share of any adjustments, if applicable, as described above and less amounts, as necessary, to remove any liens and encumbrances described in Section 4.1.2 above, and less an amount equal to the tenant security deposits and pro-rated rents, if any, to be transferred from the SELLER to the COUNTY pursuant to Section 8.11 below; and (e) perform such other duties as, in the opinion of the Escrow Holder, are necessary to carry out the terms and provisions of this Agreement.

5.6.4. At the Close of Escrow, the Escrow Holder will deliver and distribute the following documents: (a) to the SELLER, a proposed and final SELLER's closing statement; (b) to the COUNTY, a proposed and final COUNTY's closing statement and *pro forma* Title Policy; (c) to the SELLER, recorded copies of the Deed that will be mailed to the SELLER at the address set forth below; (d) to the COUNTY, after recordation, the originals of the Deed and the Title Policy, to be mailed to the address shown below; and (e) to the COUNTY and the SELLER, copies of any other documents that are recorded at the Close of Escrow or provided by the Parties as part of escrow.

6. Representations, Warranties and Covenants.

6.1. SELLER's Representations and Warranties. The SELLER represents and warrants to the COUNTY that the following matters set forth below in this Section 6.1 are true and correct as of the Effective Date. Subject to Section 6.1.1 below, the representations and warranties in this Section 6.1 will be deemed to be remade by the SELLER as of the Close of Escrow as the facts then exist.

6.1.1. Authority. The SELLER has the legal right, power and authority to enter into this Agreement and the SELLER Closing Documents required to be delivered by the SELLER pursuant to the terms of Section 6.1 above and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement and the SELLER Closing Documents by the SELLER have been, or as the Close of Escrow will be, duly authorized and no other action by the SELLER is or will be requisite to the valid and binding execution, delivery and performance of this Agreement and the SELLER Closing Documents. This Agreement has been, and the SELLER Closing Documents have been or as of the Close of Escrow will be, duly executed by the SELLER and this Agreement is, and the SELLER Closing Documents when executed and delivered by the SELLER will be, legal, valid and binding obligations of the SELLER, enforceable against the SELLER in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization and other similar laws affecting the rights of creditors generally and general principles of equity.

6.1.2. Pending Actions. There is no action, suit, arbitration, unsatisfied order or judgment, governmental investigation or proceeding pending or, to the SELLER's knowledge, threatened against the Property or the transaction contemplated by this Agreement.

6.1.3. Operating Agreements. There are no service contracts, maintenance contracts, management contracts, contracts for the purchase of goods or services or other contracts relating to the upkeep, repair, maintenance, or operation of the Property by which the SELLER is bound which shall survive the Close of Escrow and which are to be assigned to the COUNTY, except for the existing janitorial services contract which shall survive the Close of Escrow and which SELLER shall assign to COUNTY as of the Close of Escrow.

6.1.4. Contractors/Employees. There are no contractors or employees who are employed by the SELLER in the operation, management, or maintenance of the Property whose employment will bind the COUNTY after the Close of Escrow. On and after the Close of Escrow, there will be no obligations concerning any pre-Close of Escrow employees of the SELLER which will be binding upon the COUNTY or the Property.

6.1.5. Environmental Condition. To the SELLER's actual or constructive knowledge, other than as disclosed below, (1) the Property is not in violation of any federal, state or local law, ordinance or

regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including but not limited to soil and groundwater conditions, and (2) neither the SELLER nor any other person has used, generated, manufactured, stored or disposed of on, under or about the Property or transported to or from the Property any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials ("Hazardous Substances"). For the purpose of this Agreement, Hazardous Substances include, without limitation, oil, natural gas or other petroleum or hydrocarbon substances; substances defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes" or "restricted hazardous wastes" or stated to be known to cause cancer or reproductive toxicity under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. Section 1317, et seq.; the California Hazardous Substance Act, Health and Safety Code Sections 28740, et seq.; the California Hazardous Waste Control Act, Health and Safety Code Sections 25100, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Sections 24249.5, et seq.; the Porter-Cologne Water Quality Act, Water Code Sections 1300, et seq.; or any substances so defined or stated in any of the regulations adopted and publications promulgated pursuant to said laws.

6.2. COUNTY's Representations and Warranties. The COUNTY represents and warrants to the SELLER that the following matters are true and correct as of the Effective Date and will also be true and correct as of the Close of Escrow:

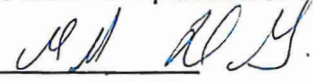
6.2.1. Authority. The COUNTY has the legal right, power and authority to enter into this Agreement and the COUNTY Closing Documents required to be delivered by the COUNTY pursuant to Section 5.3.2 above and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement and the COUNTY Closing Documents by the COUNTY have been duly authorized and no other action by the COUNTY is or will be requisite to the valid and binding execution, delivery and performance of this Agreement and the COUNTY Closing Documents.

6.3. Survival. The representations and warranties of the SELLER and the representations and warranties of the COUNTY shall survive the Close of Escrow indefinitely.

7. Terminations and Remedies.

7.1. SELLER's Remedies. If the Close of Escrow fails to occur because of a default by the COUNTY hereunder, then the SELLER shall be released from the SELLER's obligation to sell the Property to the COUNTY and the SELLER shall be entitled to retain the sum of the First Deposit and the Second Deposit as liquidated damages. The COUNTY and the SELLER hereby acknowledge and agree that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by the SELLER because of such default by the COUNTY and agree that the sum of the First Deposit and the Second Deposit is a reasonable approximation thereof. Accordingly, in the event that the COUNTY breaches this Agreement by defaulting in the completion of the purchase of the Property, the sum of the First Deposit and the Second Deposit shall constitute and be deemed to be the agreed and liquidated damages of the SELLER and shall be paid by the COUNTY to the SELLER as the SELLER's sole and exclusive remedy. The SELLER agrees to waive all other remedies against the COUNTY which the SELLER might otherwise have at law or in equity by reason of such default by the COUNTY; provided, however, the foregoing shall not apply to or limit the SELLER's rights or remedies, and shall not liquidate the

COUNTY's liability for, (a) any breach by the COUNTY under this Agreement other than a breach by the COUNTY which causes the Close of Escrow to fail to occur, (b) the ability and right of the SELLER to enforce the Surviving Obligations, including indemnity obligations. The payment of the Deposit as liquidated damages is not intended to be a forfeiture or penalty but is intended to constitute liquidated damages to the SELLER pursuant to California Civil code Sections 1671, 1676 and 1677.


(SELLER's Initials)


(COUNTY's Initials)

7.2. COUNTY's Remedies. If the Close of Escrow fails to occur as a result of a default by the SELLER hereunder, then the COUNTY shall be entitled to elect, as the COUNTY's sole remedy, either to: (a) terminate this Agreement by giving the SELLER and Escrow Holder timely written notice at or prior to the Close of Escrow, and upon such termination, the Deposits (to the extent made by the COUNTY) shall be returned to the COUNTY; or (b) pursue the specific performance of this Agreement but only if the COUNTY has tendered full performance of the COUNTY's obligations under this Agreement including being ready, willing and able to deposit the Total Purchase Price or balance thereof into escrow hereunder. In the event the COUNTY elects to terminate this Agreement pursuant to the SELLER's breach of any provision herein or the SELLER's inability to close Escrow, the SELLER shall also be liable for and pay all Escrow costs and fees, including cancellation fees of Escrow Holder.

8. Miscellaneous.

8.1. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when delivered by U.S. mail, registered, or certified, return receipt requested, postage prepaid, or by overnight delivery service showing receipt of delivery, or by personal delivery. Such notices shall be sent to the Parties at the following addresses, or such other address as may otherwise be indicated by any such Party in writing. Notices shall be effective upon actual receipt, or when receipt is refused.

If to COUNTY:	Board of Supervisors County of Tulare 2800 W. Burrel Avenue Visalia, California 93291-4544
and a copy to:	Tulare County General Services Agency Attn: Property Management Division 2637 W. Burrel Avenue, Ste 200 Visalia, California 93291
If to SELLER:	Guillon, Inc. Attn: Douglas Guillon, President 2550 Lakewest Drive, Suite 50 Chico, CA 95928

8.2. Entire Agreement. This Agreement constitutes the entire understanding of the Parties and all prior agreements, representations, and understandings between the Parties, whether oral or written, are deemed null and void, all of the foregoing having been merged into this Agreement. The Parties

acknowledge that each Party and such Party's counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation or enforcement of this Agreement or any amendments or exhibits to this Agreement or any document executed and delivered by either Party in connection with this Agreement.

8.3. Headings. Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

8.4. Exhibits and Recitals. The recitals and the exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

8.5. No Third-Party Beneficiaries Intended. Unless specifically set forth, the Parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

8.6. Further Assurances. Each Party will execute any additional documents and perform any further acts that may be reasonably required to effect the purposes of this Agreement.

8.7. Counterparts. The Parties may sign this Agreement in counterparts, each of which is an original and all of which taken together form one single document.

8.8. Assignment. This Agreement will inure to the benefit of and be binding on the Parties to this Agreement and their respective successors and assigns. Each Party will have the absolute right to assign all or any portion of its interest in this Agreement, provided that the assigning Party gives written notice of such assignment to the other Party and the Escrow Holder before the Closing Date, and that the assignee executes such documents as may be reasonably required by Escrow Holder or the Title Company to assure such assignee's acceptance of its rights and obligations hereunder.

8.9. Governing Law. This Agreement will be governed by and interpreted under the laws of the State of California.

8.10. Risk of Loss. The risk of loss of, on, or to the Property will be upon the SELLER until Close of Escrow. If there is any loss or damage to, or condemnation of, the Property before to the Closing Date, then the SELLER must either pay to the COUNTY the amount of any insurance proceeds or condemnation awards attributable to the Property that have been received by the SELLER, and assign to the COUNTY as of the Close of Escrow all rights or claims to proceeds payable thereafter, or accept a reduction in the Total Purchase Price equal to the reduction in the value of the Property due to such loss or damage.

8.11. Leases; Keys; Security Deposits. Within ten (10) Business Days from the Opening of Escrow, at its expense the SELLER shall provide the COUNTY with complete and current copies of all (a) leases and rental agreements affecting the Property; and (b) tenant security deposit agreements affecting the Property. On or before the Close of Escrow, at its expense the SELLER shall provide the COUNTY with complete and current keys to all rental units, garages, storage sheds, and the like on the Property. For all rental units, a sum of money equal to the then-current documented security deposits, and a portion of the then-current month's paid rents, pro-rated from the Close of Escrow to the end of that month, shall be transferred to the COUNTY at the Close of Escrow pursuant to Section 5.3.1 above, and thereafter the

COUNTY shall be responsible for administering such deposits and rents, and the SELLER shall have no responsibility therefor.

8.12 1031 Exchange. The COUNTY acknowledges that it is the intention of the SELLER to complete a tax-deferred exchange under Internal Revenue Code Section 1031 in connection with the sale of the Property to COUNTY hereunder. COUNTY agrees to reasonably cooperate with SELLER to implement such an exchange, as long as it does not delay the Close of Escrow or cause additional expense to the COUNTY. COUNTY understands that for purposes of such an exchange the SELLER may need to assign its rights, but not its obligations, under this Agreement to a "Qualified Intermediary" and COUNTY agrees that such an assignment shall be permitted hereunder.

THE PARTIES, having read and considered the above provisions, indicate their Agreement by their authorized signatures below.

SELLER
GUILLON, INC.

Date: 5-2-23

By: _____

Douglas J. Guillon, President

Date: 5-2-23

By: _____

Deborah M. Guillon, Corporate Secretary

COUNTY
COUNTY OF TULARE

Date: May 9, 2023

By: _____

Vice Chair, Board of Supervisors

LARRY MICARI

ATTEST: JASON T. BRITT, County Administrative Officer/
Clerk of the Board of Supervisors of the County of Tulare

By: Jocelyn Britts
Deputy Clerk

Approved as to Form
County Counsel

By: Jeffrey L. Kuhn
Deputy



Matter No. 2022376

ACKNOWLEDGMENT AND ACCEPTANCE

We acknowledge receipt of an original of the foregoing escrow instructions and we agree to act as Escrow Holder under the terms and conditions of the instructions.

ORANGE COAST TITLE INSURANCE COMPANY

By: _____
Its: Authorized Officer

Dated: _____

LIST OF EXHIBITS

- | | | |
|------------------|---|-----------------------------------|
| Exhibit A | - | Legal Description of the Property |
| Exhibit B | - | Form of Grant Deed |
| Exhibit C | - | Form of Certificate of Acceptance |

EXHIBIT A

Legal Description of the Property

Real property situated in the City of Visalia, County of Tulare, State of California, described as follows:

Parcel 6 of Parcel Map No. 4095, in the City of Visalia, County of Tulare, State of California, according to the map thereof recorded in Book 41, Page 99 of Parcel Maps, Tulare County Records.

An undivided 12.46% interest in and to Parcel 3, in the City of Visalia, County of Tulare, State of California, according to the Map thereof recorded in Book 41, Page 99 of Parcel Maps, Tulare County Records.

Excepting therefrom one-half the oil, gas, minerals and hydrocarbon substances for a period of 25 years as reserved in Deed recorded August 22, 1938 in Book 2072, Page 5, Official Records.

Also excepting therefrom one-fourth of the oil, gas, minerals and hydrocarbon substances under said land until August 8, 1963 as reserved by SSP Industries, a Corporation, by Deed recorded October 6, 1981 in Book 3906, Page 697, File No. 48317 Official Records, said Deed further recites the following: "Grantor Hereby Grants to the Grantees herein said one-fourth of the oil, gas, minerals and hydrocarbon substances after August 8, 1983 in the event there is then no production."

Excepting therefrom one-half the oil, gas, minerals and hydrocarbon substances for a period of 25 years as reserved in Deed recorded August 22, 1958 in Book 2072, Page 5, Official Records.

Also excepting therefrom one-fourth of the oil, gas, minerals and hydrocarbon substances under said land until August 8, 1963 as reserved by SSP Industries, a Corporation, by Deed recorded October 6, 1981 in Book 3906, Page 697, File No. 48317 Official Records. Said Deed further recites the following: "Grantor hereby Grants to the Grantees herein said one-fourth of the oil, gas, minerals and hydrocarbon substances after August 8, 1983 in the event there is then no production."

EXHIBIT B

Form of Deed

Recording Requested by:
First American Title Company

When recorded, mail to:

COUNTY OF TULARE

Attn: Property Management
2637 W. Burrel Avenue, Ste 200
Visalia, California 93291

(This space for Recorders use only.)

No recording fee required, this document is exempt from fees pursuant to Sections 6103 and 27383 of the California Government Code.

APN 077-790-014

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **GUILLON, INC.**, a California Corporation, hereby **GRANTS** to the **COUNTY OF TULARE**, a political subdivision of the State of California, the following described real property situated in the City of Visalia, County of Tulare, State of California:

See Attached Exhibit "A"

Dated this _____ day of _____, 2023

By: _____
Douglas J. Guillon, President

By: _____
Deborah M. Guillon, Corporate Secretary

Exhibit "A"

Parcel 6 of Parcel Map No. 4095, in the City of Visalia, County of Tulare, State of California, according to the Map thereof recorded in Book 41, Page 99 of Parcel Maps, in the Office of the County Recorder of said County.

An undivided 12.46% interest in and to Parcel 3, in the City of Visalia, County of Tulare, State of California, according to the Map thereof recorded in Book 41, Page 99 of Parcel Maps, Tulare County Records.

Excepting therefrom one-half the oil, gas, minerals and hydrocarbon substances for a period of 25 years as reserved in Deed recorded August 22, 1938 in Book 2072, Page 5, Official Records.

Also excepting therefrom one-fourth of the oil, gas, minerals and hydrocarbon substances under said land until August 8, 1963 as reserved by SSP Industries, a Corporation, by Deed recorded October 6, 1981 in Book 3906, Page 697, File No. 48317 Official Records, said Deed further recites the following: "Grantor Hereby Grants to the Grantees herein said one-fourth of the oil, gas, minerals and hydrocarbon substances after August 8, 1983 in the event there is then no production."

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Assessor's Parcel Numbers(s): 077-790-014-000

FINAL VERSION 5-01-2023

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Butte)

On _____, before me _____, a Notary Public,
personally appeared _____

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal

Signature _____

FINAL VERSION 5-01-2023

EXHIBIT C

**COUNTY OF TULARE
CERTIFICATE AND CONSENT TO RECORD
GRANT DEED
(GOVERNMENT CODE SECTION 27281)**

Grantor: Guillon, Inc., a California Corporation

Date of Grant: _____

Interest Granted: Grant Deed

Address: 8040 W. Doe Avenue, Visalia, CA 93291

APN: 077-790-014

Transaction: Property Acquisition

Pursuant to the authority conferred by resolution of the Tulare County Board of Supervisors on January 9, 1951, and recorded in Book 1489 of the Official Records of the County of Tulare at page 115, the interest in real property conveyed by the attached grant deed is hereby accepted by the County of Tulare, and the County of Tulare hereby consents to the recordation thereof.

Dated: _____, 2023

JENNIFER M. FLORES, Tulare County Counsel,
Authorized Agent.

By _____
Deputy County Counsel