

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Rescue Union School District (“District”) will hold a public hearing on the suitability of real property for use as a potential new school site for the District, pursuant to the requirements of California Education Code section 17211. The property that is proposed for the new school site consists of two parcels generally located in the Bass Lake area on Sienna Ridge Road, APNs 115-040-06-100 and 115-040-08-100, in El Dorado County, California.

The hearing will be held at 7:00 p.m., or as soon thereafter as the matter may be heard, on September 8, 2015, in the District’s Board Room, located at 2390 Bass Lake Road, Rescue, California 95672.

Please contact Sharon Laurel in Administration / Michael “Sid” Albaugh in Business Services at (530) 677-4461 if you have questions about this matter or desire more information prior to the public hearing.

Serena Posner,
Clerk of the Board of Trustees,
Rescue Union School District

Dated: August 25, 2015.

ITEM#: 7

DATE: September 8, 2015

RESCUE UNION SCHOOL DISTRICT

AGENDA ITEM: **Authorization to Enter into a Purchase and Sale Agreement
Sienna Ridge Property (APN 115-040-06-100)
Owner: Hensley Revocable Trust 9/4/1998**

BACKGROUND:

The Rescue Union School District has been pursuing the acquisition of a site for the future construction of a school in the Bass Lake area. The Sienna Ridge Property (APN 115-040-06-100), which includes 11.055 acres of land in the Bass Lake area on Sienna Ridge Road, became available for purchase in 2015. Initial investigations of the property, including an Initial Site Evaluation (August 10, 2015) conducted by the California Department of Education, indicate the property is desirable for the future construction of a school site. In addition, the Board will acquire an adjacent property (APN 115-040-08-100), which includes 10.030 acres of land owned by a third party, for the purpose of constructing a school. Moreover, the opportunity to purchase the Sienna Ridge Property will allow the Rescue Union School District to make a future determination as to the plans for the Bass Lake Property purchased in February of 2015 from the El Dorado Irrigation District.

STATUS:

The District receives special taxes (Mello Roos) from the El Dorado Schools Financing Authority Community Facilities District No. 1 designated for the acquisition and building of a school within the boundaries of the Rescue Union School District. The Rescue Union School District will utilize these funds to purchase the property for school facility purposes from the Hensley Revocable Trust 9/4/1998 for \$725,000.

FISCAL IMPACT:

The purchase will have no fiscal impact to the General Fund of the District. The El Dorado Schools Financing Authority Community Facilities District No. 1 funds will be used to purchase the property. The estimated total fund balances (unaudited) of the El Dorado Schools Financing Authority Community Facilities District No. 1 for Rescue Union School District in Fund 35 (\$2,367,381), Fund 49 (\$1,765,360), and funds held at El Dorado Union High School District (\$2,252,439) as of June 30, 2015 total \$6,385,180.

BOARD GOAL:

Board Focus Goal II – FISCAL ACCOUNTABILITY:

Keep the district fiscally solvent through prudent LCAP aligned budget processes in order to meet the needs of our students.

Board Focus Goal V - FACILITY / HOUSING

Build, improve and maintain school facilities to meet current and future education needs while integrating the most effective and efficient use of resources.

RECOMMENDATION:

The District Staff recommends the Board approve the Purchase of the Sienna Ridge Property (APN 115-040-06-100) from the Hensley Revocable Trust and authorize the Superintendent, or his designee, to execute any documents that are necessary to complete the purchase.

**RESCUE UNION SCHOOL DISTRICT
RESOLUTION NO. 15-17**

**EVALUATION OF SIENNA RIDGE PROPERTY
IN ACCORDANCE WITH SITE SELECTION STANDARDS
AND AUTHORIZATION TO ENTER INTO A
PURCHASE AND SALE AGREEMENT FOR THE
SIENNA RIDGE PROPERTY (APN 115-040-06-100)
OWNER: HENSLEY REVOCABLE TRUST 9/4/1998**

WHEREAS, the Board of Trustees (the “Board”) of the Rescue Union School District (the “District”) has indicated a desire to acquire land for the future construction of a school site (the “Project”) in the Bass Lake area; and

WHEREAS, the District has selected, as the most suitable site for the Project, the Sienna Ridge Property (APN 115-040-06-100) (the “Property”), which Property includes 11.055 acres of real property located in El Dorado County; and

WHEREAS, the Property is located in the Bass Lake area on Sienna Ridge Road and has been made available for purchase; and

WHEREAS, the Property is owned by the Hensley Revocable Trust 9/4/1998 (“Seller”) who desires to sell the Property for the sum of \$725,000 for school facility purposes; and

WHEREAS, initial investigations of the Property indicate that it is a desirable acquisition for future use as a school site; and

WHEREAS, the Board desires to purchase the Property, along with an adjacent parcel owned by a third party, APN 115-040-08-100 (“Adjacent Parcel”), for the purposes of constructing the Project; and

WHEREAS, the purchase shall have no fiscal impact on the District General Fund because it shall be paid for from the special tax collected pursuant to the provisions of Government Code section 53311, *et seq.* (the “Mello Roos Law”) received from the El Dorado Schools Financing Authority Community Facilities District No. 1 (“CFD”); and

WHEREAS, the Property shall be used for a purpose authorized by the CFD and the Mello-Roos Law; and

WHEREAS, California Education Code Section 17211 requires, prior to acquisition of real property for a new school, that the board of trustees of a school district shall evaluate the property at a public hearing using site selection standards established by the State Department of Education; and

WHEREAS, notice that the District will hold a public hearing in accordance with Education Code Section 17211 was provided to the public within a reasonable period prior to the hearing; and

WHEREAS, the public was given the opportunity to comment on the conformity of the proposed school site with the State Department of Education site selection standards at the public hearing; and

WHEREAS, the State Department of Education has conducted its initial evaluation of the Project using the site selection standards and has made an initial evaluation indicating that the District may proceed with further evaluation of the Property for purposes of seeking final site approval for the Property from the State Department of Education; and

WHEREAS, the District is continuing to evaluate the Property for suitability and has not completed educational or site master planning of the Property; and

WHEREAS, the purchase of the Property is itself a “project” for purposes of the California Environmental Quality Act (“CEQA”) and so requires CEQA review and the preparation of appropriate CEQA documentation before it may be approved, except that under California Code of Regulations, Title 14, section 15004(b) the District may defer such review and document preparation until the District has completed its plans for the use of the Property if it conditions the District’s future use of the Property on compliance with CEQA before such use; and

WHEREAS, the Board intends to so condition the District’s future use of the Property; and

WHEREAS, because the District has not yet completed educational or site master planning of the Property, the District is unable to comply with Education Code section 17211 or with CEQA at this time; and

WHEREAS, this Board has determined that it is in the best interests of the District to defer the requirements with respect to the Property for complying with Education Code section 17211 and with CEQA until after the District has undertaken the educational and facilities master

planning needed for the Property, to condition the District's future use (or change of use) of the Property on completion of such requirements the Property before such use or change of use occurs, and to complete the purchase of the Property in the meantime; and

WHEREAS, upon approval of this Resolution, the Superintendent of the District, or his designee, will be authorized to close escrow pursuant to the other terms of a Purchase and Sale Agreement between the District and Seller (the "Purchase Agreement"), and take other actions necessary or convenient to complete the purchase of the Property.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE RESCUE UNION SCHOOL DISTRICT HEREBY FIND, DETERMINE, AND RESOLVE, as follows:

SECTION 1. The Board adopts the foregoing recitals as true and correct.

SECTION 2. The Board hereby defers the requirements with respect to the Property for complying with Education Code section 17211 and CEQA until after the District has undertaken the additional evaluation of the Property and educational and facilities master planning needed for the use of the Property. In accordance with California Code of Regulations, Title 14, section 15004(b), the Board hereby conditions the District's future use (or change of use) of the Property on CEQA compliance before such use or change of use occurs.

SECTION 3. The Board authorizes the purchase of the Property for Seven Hundred Twenty Five Thousand Dollars (\$725,000), plus additional standard closing costs and fees. The District Superintendent, staff, and consultants are authorized and directed to take all steps necessary or convenient to complete the purchase of the Property in accordance with the Purchase Agreement, which Purchase Agreement, in substantially the form presented to the Board at this meeting (subject to making such changes to the Purchase Agreement as may be necessary or appropriate to consummate the purchase of the Property), is hereby approved and ratified. The District Superintendent, or his designee, is authorized and directed to execute the Purchase Agreement on behalf of the District, give notice to the Seller and Escrow Holder of the District's intention to close escrow as soon as possible, execute a Certificate of Acceptance of the grant deed to the Property, secure appropriate policies of title insurance, and take any and all other steps that may be necessary or convenient to complete the acquisition of the Property, all in accordance with the Purchase Agreement.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Governing Board of the Rescue Union School District on the 8th day of September, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RESCUE UNION SCHOOL DISTRICT

By: _____
President of the Board of Trustees

ATTEST:

Secretary of the Board of Trustees,
Rescue Union School District

**AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY
AND JOINT ESCROW INSTRUCTIONS
BETWEEN
HENSLEY REVOCABLE TRUST 9/4/1998
AND
RESCUE UNION SCHOOL DISTRICT**

This Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions ("Agreement") is entered into as of September 8, 2015 ("Effective Date") between Allen R. Hensley and Michael N. Corbett (together, "Seller"), and the RESCUE UNION SCHOOL DISTRICT, a California Public School District ("Buyer"). Buyer and Seller may also be referred to in this Agreement singularly as a "Party" and collectively as the "Parties."

RECITALS

- A. Seller is the fee owner of 11.055 acres of real property located in El Dorado County, California, APN # 115-040-06-100, as more specifically defined in Exhibit A attached, shall be referred herein as the "Property".
- B. The Buyer desires to purchase the Property, along with an adjacent parcel owned by a third party, APN 115-040-08-100 ("Adjacent Parcel"), for the purposes of constructing a school. The third party owner of the Adjacent Parcel shall be referred to as the "Adjacent Parcel Owner".
- C. After reviewing Buyer's proposal, Seller determined that it desired to sell the Property to Buyer.

The Parties therefore agree as follows:

**ARTICLE 1
PURCHASE AND SALE**

1.1 Purchase and Sale of the Property

Subject to the terms and conditions that follow, Seller shall sell to Buyer, and Buyer shall purchase the (i) Property, together with any improvements located thereon, (ii) all easements, licenses, interests, privileges, rights and appurtenances owned or held by Seller relating to the Property, including but not limited to all minerals, oil, gas and other hydrocarbon substances located thereon (except for Hazardous Materials as defined in 2.1(H)), all development rights, air rights water, water right and water stock relating to the Property, and (iii) any and all permits, certificates of occupancy, development agreements, warranties, licenses and other rights owned by Seller with respect to the ownership or operation of the land.

1.2 Purchase Price

- (A) The purchase price for the Property ("Purchase Price") shall be Seven Hundred Twenty Five Thousand dollars (\$725,000). The Purchase Price is based on the "as is" value of the Property.
- (B) Buyer will pay the Purchase Price to Seller, through Escrow, on the following terms and conditions:
 - (1) Escrow shall be opened at Inter-County Title Company of El Dorado County ("Escrow Holder" or "Title Company") at the address specified in Article 5 below.
 - (2) Title to the Property shall be conveyed by the Seller to the Buyer by a fully executed and notarized grant deed for the Property ("Grant Deed") in the form attached as Exhibit B. Buyer shall accept the Grant Deed using the Certificate of Acceptance in the form attached as Exhibit C. The original of the Grant Deed for the Property shall be deposited in Escrow by Seller.
 - (3) The Buyer shall have approved the "Preliminary Title Report" (as hereinafter defined) for the Property and any exceptions stated therein pursuant to the terms of this Agreement.
- (C) If any tenant is on the Property, Seller must terminate the tenancy before the "Close of Escrow" (as hereinafter defined). No tenant has any right to any part of the Purchase Price and Buyer will pay the Purchase Price only to the Seller. If any tenant is on the Property, other than the Seller, Seller will indemnify and defend the Buyer against any claims for any share in the Purchase Price based on that tenancy.

1.3 Due Diligence and Feasibility.

- (A) Within seven (7) days of the Effective Date, Seller shall provide to Buyer all reports or inspection records of systems and subsystems pertaining to the Property that Seller has in its possession including, but not limited to: service contracts, current year tax, maintenance and utility bills, Hazardous Materials reports, soil and ground water conditions reports including those pertaining to topography and drainage, land or building surveys, any Phase I and II Environmental Reports related to the Property, original and/or updated geology, environmental, and engineering reports, soil reports, site plans, and/or other documents plans related to the condition, design, construction and/or eventual modifications to the original condition of the Property.
- (B) Buyer shall have a sixty (60) day "Feasibility Period" from the Effective Date of the Agreement, which may be extended by Buyer's payment of the Required Deposits (as defined below), to review the condition of the Property and conduct

any and all appropriate geological, engineering, safety and other inspections it determines necessary or as required by state and local law so as to ensure that the Property complies with all state and local requirements applicable to Buyer's proposed use of the Property. Buyer's obligation to purchase the Property is conditioned upon Buyer's approval of the following:

- (1) Buyer's approval of and satisfaction with the physical condition of the Property and all tests, inspections, and studies to be conducted by Buyer, or Seller, including, without limitation, any environmental assessments.
- (2) Buyer's determination that the Property is suitable for Buyer's intended uses.
- (3) Buyer's approval of an appraisal of the Property to be completed in a manner satisfactory for Buyer to secure State funding for acquisition of the Property.

Buyer's failure to disapprove the above conditions within the Feasibility Period shall be deemed Buyer's approval of such conditions.

During the Feasibility Period, Seller shall permit Buyer, and its authorized agents ("Buyer's Agents") to enter onto the Property, at reasonable times and upon reasonable notice, for the purpose of making engineering, geological, planning, development and other studies, inspections and tests.

1.4 Deposits

All deposits required by this Agreement shall be applied to the Purchase Price and shall be collectively referred to as "Required Deposits." Any interest earned on the Required Deposits shall be applied to the Purchase Price. When any Required Deposit becomes non-refundable, it shall be released by Escrow Holder to Seller. The following Required Deposits shall be made by the Buyer:

(A) License Deposit.

Prior to the Effective Date of this Agreement, Buyer paid Seller Two Thousand Dollars (\$2,000.00) as a fee for accessing the Property and beginning its preliminary investigations ("License Deposit"). The License Deposit shall be applied to the Purchase Price. Notwithstanding any other section of this Agreement, the License Deposit became immediately non-refundable and shall under no circumstances be returned to Buyer.

(B) Initial Deposit.

Upon the Effective Date of this Agreement, Buyer shall deposit Twenty-Five Thousand Dollars (\$25,000.00) as an initial deposit ("Initial Deposit") into

Escrow. The Initial Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Initial Deposit shall become non-refundable sixty (60) days from the Effective Date of this Agreement. If, during the first sixty (60) days after the Effective Date of this Agreement, Buyer, in its sole discretion and based upon its investigations identified in Section 1.3, determines that the Property is not suitable for its purposes and terminates this Agreement, the Initial Deposit shall be refunded to Buyer.

(C) First Extension Deposit.

Sixty (60) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty (30) days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("First Extension Deposit") into Escrow, which First Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the First Extension Deposit shall immediately become non-refundable.

(D) Second Extension Deposit.

Ninety (90) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty 30 days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("Second Extension Deposit") into Escrow, which Second Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Second Extension Deposit shall immediately become non-refundable.

(E) Third Extension Deposit.

One hundred twenty (120) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty (30) days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("Third Extension Deposit") into Escrow, which Third Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Third Extension Deposit shall immediately become non-refundable.

(F) Fourth Extension Deposit.

Within one hundred fifty (150) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty (30) days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("Fourth Extension Deposit") into Escrow, which Fourth Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Fourth Extension Deposit shall immediately become non-refundable.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

2.1 Seller's Representations and Warranties

(A) No Commitments or Agreements

Except as specifically disclosed to Buyer in writing, Seller has made no written commitments or agreements materially and adversely affecting the Property, or any part thereof, or any interest therein, which will survive the Close of Escrow.

(B) Liens

Except as specifically disclosed to Buyer in writing, to the best knowledge of Seller, there are no mechanics', materialmen's or similar claims or liens presently claimed or which will be claimed against the Property for work performed or commenced for Seller or on Seller's behalf.

(C) Rights of Possession

Except as specifically disclosed to Buyer in writing, there are not as of the date of this Agreement, nor will there be as of the Close of Escrow, any written or oral leases or contractual right or option to lease, purchase, or otherwise enjoy possession, rights or interest of any nature in and to the Property and no persons shall have any right of possession to the Property as of the Close of Escrow or at any time thereof.

(D) Ownership and Encumbrances

Seller has not and shall not, prior to Close of Escrow without the prior written consent of Buyer, which consent may be given or denied in Buyer's absolute discretion, enter into any lien, encumbrance, easement or license agreement, or any other agreement permitting others to use the Property, or any portion thereof, or convey any part of the Property.

(E) Full Power and Authority

Neither this Agreement nor anything provided to be done hereunder including the transfer of title to the Property to Buyer violates or shall violate any contract, agreement or instrument to which Seller is a party. Seller has the full power and authority to enter into this Agreement and consummate the transaction contemplated hereby. The execution, delivery and performance of this Agreement has been duly and validly authorized by Seller, and no other action by Seller is requisite to the valid and binding execution, delivery, and performance of this Agreement by Seller.

(F) Litigation

Except as specifically disclosed to Buyer in writing, or otherwise known to the best knowledge of Seller, there are no actions, suits, claims or legal or other proceedings pending or threatened against Seller, which could materially adversely affect Seller's ability to consummate this transaction and to convey the Property to the Buyer.

(G) Reports

To the best of the Seller's knowledge, Seller has made available to the Buyer all third party professional reports within its possession concerning the Property.

(H) Environmental Laws/Hazardous Materials

Except as disclosed in writing by Seller, to the best of Seller's knowledge: (i) there has been no production, storage or disposal on the Property of any Hazardous Material (as defined below) by Seller or, to the best of Seller's knowledge, by any previous owner or tenant of the Property; (ii) Hazardous Materials have not been dumped, buried, leaked, or otherwise released upon, in or under Property or allowed to pass on, under or through the Property at any time during or prior to Seller's ownership of the Property; (iii) Seller has complied with all laws, regulations, and ordinances ("Environmental Laws") relating to the use of all Hazardous Materials used on the Property; (iv) there is no proceeding or inquiry by any federal, state or local governmental agency with respect to the use, production, storage, release or migration of Hazardous Materials on, through or across the Property; and (v) there is no contamination of Hazardous Materials on, at, about, or within the Property, except as has been identified through Buyer's environmental site assessment work. "Hazardous Material" means any hazardous or toxic substance, material or waste that is: (i) regulated by any governmental authority, the State of California or the United States; (ii) defined as an "acutely hazardous waste," "extremely hazardous waste," "hazardous waste," or "waste" under Sections 25110.02, 25115, 25117, or 25124 of the California Health and Safety Code, or listed pursuant to Sections 25141 and 25141.5 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code Division 20 Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) asbestos; (vii) listed under Chapter 10 Division 4.5 of Title 22 or defined as hazardous or extremely hazardous pursuant to Division 21.5 of Title 26 of the California Code of Regulations; (viii) designated as a "hazardous waste" pursuant to Section 6903 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; (ix) defined as a "hazardous substance" pursuant to Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq.; (x) any flammable substances or explosives; or (xi) any radioactive material.

(I) Notices

Seller has made all disclosures and provided all notices to Buyer which are required by Section 25359.7 of the California Health and Safety Code.

(J) Best Knowledge

For purposes of this Section 2.1, the phrase "best of Seller's knowledge" means the actual knowledge of Allen R. Hensley and Michael N. Corbett, without any independent investigation having been made, and not based on any implied, imputed or constructive knowledge of Seller.

(K) To Seller's knowledge, Seller is not in default of any of its obligations or liabilities pertaining to the Property, nor are there any existing facts, circumstances, conditions, or events that would constitute or result in any default on the giving of notice, the passage of time, or both.

(L) Seller has not received written notice from any governmental agency that the Property is in violation of any statute or regulation.

(M) Seller has not:

- (1) Made a general assignment for the benefit of creditors;
- (2) Filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by its creditors;
- (3) Suffered the appointment of a receiver to take possession of all or substantially all of its assets;
- (4) Suffered the attachment or other judicial seizure of all, or substantially all, of its assets;
- (5) Admitted in writing its inability to pay its debts as they come due; or
- (6) Made an offer of settlement, extension, or composition to its creditors generally.

(N) Neither this Agreement, nor anything to be done hereunder, violates or will violate any contract, agreement, or instrument to which Seller is a party, or which to the best of Seller's knowledge affects the Property. The signature, consent, or acknowledgment of no other person or entity is necessary to validate the signing of this Agreement by Seller or permit its sale of the Property to Buyer.

(O) If between the Effective Date and the Close of Escrow, Seller or Buyer becomes aware of facts or circumstances which would make any of Seller's representations or warranties hereunder materially incorrect, whether as of the Effective Date or any time thereafter to the Close of Escrow, such fact or circumstance shall not be

construed as a breach by Seller of such applicable representation or warranty but Buyer shall have the right to either: (i) terminate this Agreement if such fact or circumstance would have a material and adverse impact on the Property or Buyer's intended development thereof, such termination being treated as a failure of a condition precedent under Section 3.1, below, or (ii) waive such condition and proceed to Close of Escrow in accordance with this Agreement in which case the representations and warranties of Seller hereunder shall be deemed modified and remade to incorporate such fact or circumstance as an exception thereto.

2.2 Buyer's Representations and Warranties

(A) No Commitments or Agreements

Except as specifically disclosed to Seller in writing, Buyer has made no written commitments to or agreements with any governmental authority or agency materially and adversely affecting the Property, or any part thereof, or any interest therein, which will survive the Close of Escrow.

(B) Liens

Except as specifically disclosed to Seller in writing, to the best knowledge of Buyer, there are no mechanics', materialmen's or similar claims or liens presently claimed against the Property for work performed or commenced for Buyer or on Buyer's behalf.

(C) Ownership and Encumbrances

Buyer shall not, prior to Close of Escrow without the prior written consent of Seller, which consent may be given or denied in Seller's absolute discretion, enter into any lien, encumbrance, easement or license agreement permitting others to use the Property, or any portion thereof, or convey any part of the Property.

(D) Full Power and Authority

Neither this Agreement nor anything provided to be done hereunder including the transfer of title to the Property to Buyer, violates or shall violate any contract, agreement or instrument to which Buyer is a Party. Buyer has the full power and authority to enter into this Agreement and consummate the transaction contemplated hereby. The execution, delivery and performance of this Agreement will have been duly and validly authorized by Buyer upon ratification by Buyer's Board of Trustees, and no other action by Buyer is requisite to the valid and binding execution, delivery, and performance of this Agreement by Buyer.

(E) Litigation

Except as specifically disclosed to Seller in writing, or otherwise known to the best knowledge of Seller, there are no actions or proceedings pending or

threatened against Buyer, which does or will materially adversely affect Buyer's ability to consummate this transaction and to acquire the Property from the Seller.

(F) Change of Representation or Warranty

In the event Buyer acquires knowledge that any such representation or warranty is no longer accurate, Buyer shall immediately advise Seller of same.

(G) Best Knowledge

For purposes of this Section 2.2, the phrase "best of Buyer's knowledge" means the actual knowledge of David Swart, Superintendent of Schools, acting in his representative capacity, and Michael "Sid" Albaugh, Chief Business and Operations Official, acting in his representative capacity, on behalf of, and for, the Buyer only, without any independent investigation having been made, and not based on any implied, imputed or constructive knowledge of Buyer, including all of its officers and directors..

(H) On ratification of this Agreement by the Buyer's Board of Trustees and subject to the conditions precedent set forth in Article 3, Buyer has the full right, power, and authority to enter into and perform Buyer's obligations under this Agreement.

(I) If a Court of law should determine that Seller intentionally concealed or misrepresented any material condition of the Property, including, but not limited to, the presence of any hazardous materials in the soil or water on, under, or around the Property, then Buyer's obligations under this Agreement shall be rendered void and Buyer may pursue any available legal remedies.

ARTICLE 3
CONDITIONS PRECEDENT AND ADJACENT PROPERTY

3.1 Conditions Precedent to Closing of Escrow

The obligation of the Buyer and the Seller to complete this transaction pursuant to this Agreement is subject to the satisfaction, at or before the Close of Escrow, of the conditions contained herein. The Buyer and the Seller agree that each will, in good faith, endeavor to remove all said contingencies and conditions that are within its control. The following are conditions precedent to the Close of Escrow:

- (A) The Buyer must pay the Purchase Price to the Seller by depositing sufficient funds with the Escrow Holder in advance of the time necessary to close escrow pursuant to Section 4.3 of this Agreement;
- (B) Prior to the "Closing Date" (as hereinafter defined), the Parties will deposit with the Escrow Holder the title insurance and escrow closing costs for which they are responsible. The Escrow Holder will place all sums deposited into an Escrow account;

- (C) The Title Company will be prepared to issue the "Title Policy" (as hereinafter defined) in the name of the Buyer for marketable title, free of restrictions, liens, and encumbrances except for those restrictions, liens, and encumbrances specifically allowed by Section 4.4 below, or otherwise approved in writing by the Buyer;
- (D) Seller must have provided Buyer with five (5) signed-originals of this Agreement;
- (E) Buyer's Board of Trustees shall have ratified this Agreement;
- (F) Escrow must not have been canceled or this Agreement terminated;
- (G) The Buyer's and the Seller's covenants, representations, and warranties shown above are true as of the Close of Escrow, and
- (H) Seller and Buyer must not be in breach or default of any of their respective obligations under this Agreement.

3.2 Cancellation of Escrow of Adjacent Property.

If, prior to the Close of Escrow (as defined below), the Adjacent Property Owner cancels escrow on the Adjacent Property or otherwise breaches its agreement with Buyer for purchase of the Adjacent Property causing cancellation of escrow for the Adjacent Property such that Buyer cannot acquire the Adjacent Property, Buyer may terminate this Agreement, without penalty. Notwithstanding any other provision of this Agreement, if Buyer terminates this Agreement pursuant to this Section 3.2, all Required Deposits except the License Deposit shall be returned to Buyer and the Buyer shall pay all escrow cancellation fees.

ARTICLE 4
ESCROW PROVISIONS

4.1 Escrow, Escrow Holder, and Opening of Escrow

Buyer's delivery to Escrow Holder of a fully executed original of this Agreement constitutes the opening of Escrow.

4.2 Escrow Instructions

The Parties shall provide a copy of this Agreement, any supplemental escrow instructions, signed by both Parties, and any other document necessary to consummate the purchase of the Property and to the Close of Escrow as contemplated by this Agreement to the Escrow Holder. Without limiting the effect of the foregoing, Escrow Holder's General Conditions will be binding on Seller and Buyer.

4.3 Close of Escrow

Escrow for the Property shall close upon the recordation of the Grant Deed in accordance with the terms and conditions hereof ("Close of Escrow" or "Closing Date" or "Closing"). Escrow will close within ten (10) days after the end of the Feasibility Period, (as extended by Seller's payment of a Required Deposit), or as extended by mutual written agreement between the Buyer and Seller. Any extension of the Close of Escrow shall not be effective unless and until a fully executed (by Buyer and Seller) original of any such written extension is provided to the Escrow Holder. In any event, the Close of Escrow shall only occur after all conditions set forth in this Agreement have been satisfied or waived.

4.4 Preliminary and Supplemental Title Reports

Within five (5) days following the Effective Date, Seller must instruct Escrow Holder to obtain and provide Buyer with a preliminary title report with respect to the Property ("Preliminary Title Report"), together with copies of the instruments underlying all exceptions that are referred to in the Preliminary Title Report (collectively, the "Title Documents"). Buyer may review and approve the Preliminary Title Report and the Title Documents for a period of thirty (30) days following Buyer's receipt of the Title Documents ("Title Review Period"). If Buyer fails to disapprove any item in the Preliminary Title Report by a writing delivered to Seller and Escrow Holder by the expiration of the Title Review Period, then Buyer will be conclusively considered to have approved the item. Seller shall have a period of ten (10) days after receipt of any notice of disapproval in which to deliver written notice to Buyer of Seller's election to either (i) agree to remove or cure the objectionable items prior to the Close of Escrow, or (ii) decline to remove or cure any such title exceptions and terminate Escrow and this Agreement. If Seller elects to terminate Escrow and this Agreement, Buyer shall have the right, by written notice delivered to Seller within ten (10) days after Buyer's receipt of Seller's notice, to agree to accept the Property subject to the objectionable items in lieu of Seller's termination. However, Buyer is not required to give notice of disapproval of debts, liens to secure debts, delinquent taxes, assessments due as of the Closing Date, or other financing or monetary encumbrances on the Property, and those items will not be considered as "Permitted Exceptions" (as hereinafter defined).

4.5 Condition of Title

At the expiration of the Title Review Period, all matters contained in the Title Documents that Buyer has approved, or is considered to have approved, are "Permitted Exceptions."

Seller must convey the Property to Buyer in fee simple title, which must be, except for the Permitted Exceptions, free and clear of all known mortgages, liens, charges, encumbrances, encroachments, easements, conditions, exception, assessments, taxes, or other defects in title.

4.6 Escrow Closing Costs

(A) Seller shall pay the costs associated with this transaction as follows:

- (1) Fifty percent (50%) of the cost of a standard form CLTA (California Land Title Association) title insurance policy issued by the Escrow Holder as the "Title Insurer," and covering the Property for the Purchase Price ("Title Policy"), plus the additional costs of obtaining an ALTA (American Land Title Association) policy, including the cost of any survey or any endorsements to the policy requested by Buyer.
- (2) Fifty percent (50%) the Escrow Holder's fees.
- (3) Any documentary transfer tax imposed by the County.
- (4) All special taxes or assessments for the period prior to the Closing Date.
- (5) All broker commissions related to this Agreement, including:

Two and one-half percent (2.5%) of the Purchase Price to Buyer's agent, Dutra Cerro Graden, Inc. and any commission fee in accordance with a separate agreement between the Seller and Seller's Agent, RE/Max Gold.

(B) Buyer shall pay the costs associated with this transaction as follows:

- (1) Fifty percent (50%) of the cost of a standard form CLTA (California Land Title Association) title insurance policy issued by the Escrow Holder as the "Title Insurer," and covering the Property for the Purchase Price ("Title Policy"), plus the additional costs of obtaining an ALTA (American Land Title Association) policy, including the cost of any survey or any endorsements to the policy requested by Buyer.
- (2) Fifty percent (50%) the Escrow Holder's fees.
- (3) Any recording fees, including recording fees associated with the Parcel Map.
- (4) All special taxes or assessments which are attributable for the period after to the Closing Date.

4.7 Obligations of Buyer

If all of the conditions precedent have been met or waived, then by Close of Escrow, Buyer must deposit with Escrow Holder, in immediately available funds, the Purchase Price plus all other amounts for which Buyer is responsible. Buyer must also deposit the following documents:

- (A) A Certificate of Acceptance meeting the requirements of California Government Code Section 27281;
- (B) A Preliminary Change of Ownership Statement, if required.

4.8 Obligations of Seller

In addition to fulfilling any other obligations required by this Agreement, by Close of Escrow, Seller must deposit into Escrow:

- (A) The Grant Deed in recordable form and duly signed and acknowledged by Seller;
- (B) All sums, including, but not limited to, any sums necessary to cancel or pay taxes, special taxes, fees, charges, assessments, and other sums necessary to deliver free and clear title subject only to the Permitted Exceptions;
- (C) Documents reasonably required of Seller by Escrow Holder to carry out Close of Escrow. By the Close of Escrow, Seller must sign and deposit with Escrow Holder an original California Form 593-C and Certification of Non-Foreign Status (FIRPTA Certificate); and
- (D) Such proof of Seller's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

4.9 Pro Forma Title Report & Estimated Closing Statement

The Escrow Holder must request from the Title Company a "Pro Forma Title Policy" at least fifteen (15) calendar days before the Close of Escrow and must deliver it to Buyer for Buyer's approval before the Close of Escrow. The Buyer will be considered to have approved the "Pro Forma Title Policy" if it contains only the Permitted Exceptions. The Escrow Holder must deliver to the Buyer and Seller an estimate of Closing Costs at least fifteen (15) calendar days before the Close of Escrow.

4.10 Title Policy

Escrow Holder must deliver to Buyer, through Escrow, an CLTA owner's standard policy of title insurance insuring Buyer as fee owner of the Property, subject only to the usual printed title company exceptions and the Permitted Exceptions, in an amount equal to the Purchase Price, issued by Title Company and dated as of the Close of Escrow, unless Buyer elects to pay for an ALTA policy of title insurance.

4.11 Recording of Documents and Delivery of Funds

On receipt of the funds and instruments described in this Article 4, and on the satisfaction or waiver of the conditions precedent to Close of Escrow, Escrow Holder must:

- (A) Disburse to Seller the cash portion of the Purchase Price, less any Required Deposits withdrawn by the Seller during the Escrow, less any Closing Costs owed by Seller under this Agreement.
- (B) Cause the Grant Deed and other documents as specified in this Agreement to be recorded in the Office of the County Recorder of the County of El Dorado, California;

(C) Deliver conformed copies of the Grant Deed and all other appropriate documents to Buyer and Seller on Close of Escrow; and

(E) Deliver an original of the FIRPTA Certificate to Buyer and Seller on Close of Escrow.

4.12 Cancellation of Escrow

If Escrow fails to close because of the default of either Party, the defaulting Party shall be liable for all Escrow cancellation charges. If Escrow fails to close for any other reason, the Parties shall equally split all Escrow cancellation charges.

4.13 Signing of Other Documents; Compliance with Regulations

The Parties will do all things and sign all documents that are reasonably necessary for Close of Escrow to occur. Furthermore, the Parties will comply at their own expense with all applicable laws and governmental regulations required for Close of Escrow to occur, including, but not limited to, any required filings with governmental authorities.

ARTICLE 5
NOTICES

5.1 Notices

All notices under this Agreement must be in writing. All notices must be sent with postage fully prepaid and be addressed to the respective Parties as set forth below or to other addresses and persons as the Parties may designate by written notice to the other Parties. The Notices will be effective:

(A) When personally delivered by the other Party or messenger or courier of the other Party;

(B) Three (3)-business days after deposit in the United States mail, registered or certified;

(C) Twenty four (24) hours after deposit before the daily deadline time with a reputable overnight courier or service; or

(D) On receipt of a telecopy or fax transmission, if a hard copy of the transmission is thereafter delivered in one of the methods described in (A) through (C) above. However, facsimiles sent after 5:00 p.m. PST, or PDT as applicable, are considered to have been sent the next business day.

TO THE SELLERS:

Allen R. Hensley
7400 Grassy Creek Way

El Dorado Hills, CA 95762
with copy to:
Michael N. Corbett
7400 Grassy Creek Way
El Dorado Hills, CA 95762

TO THE BUYER:

Rescue Union School District
2390 Bass Lake Road
Rescue, California 95672
Telephone: (530) 677-4461
Facsimile: (530) 677-0719
Attention: Superintendent

with copy to:

Lozano Smith
One Capitol Mall, Suite 640
Sacramento, California 95814
Telephone: (916) 329-7433
Facsimile: (916) 329-9050
Attention: Megan Macy

TO THE ESCROW HOLDER:

Inter-County Title
4064 Flying C Road, Suite 2
Cameron Park, California 95682
Telephone: (530) 672-7856
Facsimile: (530) 350-4456
Attention: Joni Birkeland

ARTICLE 6
MISCELLANEOUS PROVISIONS

6.1 Entire Agreement, Waivers, and Amendments

This Agreement supersedes all negotiations and previous agreements between the Parties related to the purchase and sale of the Property. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged. Any amendment or modification to this Agreement must be in writing and executed by both Parties.

6.2 Exhibits

Exhibits "A", "B" and "C" attached to this Agreement are incorporated into this Agreement by this reference. The Exhibits are as follows:

- "A" - LEGAL DESCRIPTION OF PROPERTY
- "B" - GRANT DEED
- "C" - PUBLIC AGENCY CERTIFICATE OF ACCEPTANCE

6.3 Effect of Recitals

The Recitals shown above are considered true and are binding on Seller and Buyer.

6.4 Section References

Any reference to any Section of this Agreement cited without a decimal includes all Sections following the cited Section. For example, a reference to Section 5 includes 5.1, 5.1(a), et seq.

6.5 Commissions or Brokerage Fees

Seller shall be responsible for all brokerage fees related to this Agreement as set forth in Section 4.6, which brokerage fee shall be paid out of the sale proceeds from the Property at the Close of Escrow.

6.6 Legal Action

If a dispute arises relating to this Agreement, the Parties shall first attempt to resolve it through informal discussions. Any Party may convene such discussions by written notice, and each Party shall reasonably accommodate the other Party with respect to scheduling. If the dispute is not resolved in this manner within thirty (30) days from the date one Party first contacts the other to commence informal discussions hereunder, the dispute shall be heard by a referee pursuant to the provisions of the California Code of Civil Procedure Section 638, et seq. The Parties shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon. If the Parties are unable to agree upon a referee, either party may seek to have one appointed, pursuant to Sections 638 to 645.2 of the California Code of Civil Procedure. The cost of such proceeding shall initially be borne equally by the Parties. However, the prevailing party shall be entitled, in addition to all other costs, to the costs of the reference as an item of recoverable costs.

6.7 Attorney's Fees and Costs

In the event of any legal proceeding arising out of or relating to this Agreement, including the reference procedure referred to in Section 6.6 above, the prevailing Party, as declared by a court or adjudicatory body with competent jurisdiction over the matter, shall be entitled to recover its reasonable attorneys' fees and expenses (including expert witness fees) arising from the proceeding. Attorneys' fees under this Section shall

include attorneys' fees on any appeal and, in addition, a Party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action. In addition to the foregoing award of attorneys' fees to the prevailing Party, the prevailing Party in any lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement.

6.8 Third-Party Beneficiaries

This Agreement confers no rights on any party except the signatories to this Agreement.

6.9 Binding on Heirs

This Agreement is binding on the Parties hereto and their respective heirs or representatives, and their permitted transferees, successors, and assigns.

6.10 Assignment

Neither Party shall have the right to transfer or assign any of its rights or obligations under this Agreement without the prior written consent of the other Party. Further, Seller may only assign this Agreement to another entity and be relieved of all liability or responsibility under this Agreement, provided that such assignee fully assumes all of Seller's obligations hereunder in a writing approved and duly executed by the Buyer and the assignee, and only where the assignee demonstrates to the satisfaction of the Buyer its capability, both financial and practical, to properly and fully complete and perform all obligations hereunder; otherwise Seller will retain all obligations.

6.11 Obligations Survive Close of Escrow

All obligations to be performed at a time after the Close of Escrow, whether specifically referred to as surviving the Close of Escrow or not, and all covenants, representations and warranties of the Parties, will survive the Close of Escrow.

6.12 Severability

If a court of competent jurisdiction holds any provision in this Agreement to be invalid or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired in any way.

6.13 Governing Law

This Agreement must be construed according to its fair meaning and as if prepared by both Buyer and Seller. This Agreement must be construed in accordance with the laws of the State of California in effect on the Effective Date. Any action or proceeding seeking any relief under or with respect to this Agreement shall be brought solely in the Superior Court of the State of California for the County of El Dorado.

6.14 Time is of the Essence

Time is of the essence in this Agreement.

6.15 Condemnation

If before Close of Escrow, the Property or any portion thereof is destroyed or damaged, the Seller shall apply all proceeds of any insurance policy applicable to the loss to the restoration of the Property. If, before Close of Escrow, the Property becomes subject to a taking by virtue of eminent domain, the Buyer shall have a right to contest the taking of the Property as the highest and best use of the property, or shall have the right to modify this Agreement with Seller to locate the Property at another mutually agreeable location. The Buyer and the Seller shall cooperate to locate a suitable alternative site for the School and renegotiate the terms of the Agreement accordingly.

6.16 Headings

Headings at the beginning of each Article and Section are solely for the convenience of the Parties and must not to be construed as enlarging or limiting the language following the headings.

6.17 Nondiscrimination

Buyer and Seller must not discriminate against any person because of race, color, religion, sex, marital status, national origin, or ancestry in the performance of their respective obligations under this Agreement.

6.18 Rights and Remedies are Cumulative

Unless stated otherwise in this Agreement, the rights and remedies of the Parties are cumulative. A Party's exercise of any of its right or remedies will not preclude its exercise, at the same or at different times, of any other rights or remedies for the same, or any other default.

6.19 Cooperation

Seller must provide Buyer, without demand, copies of all planning, engineering, architectural and other project documents, and all modifications to those documents, relating to the Property.

6.20 Possession of Property

Subject to the provisions of the Site Lease, the Parties agree that Buyer may take possession of the Property for all purposes immediately following the Close of Escrow.

6.21 Business Days

In this Agreement; “business days” means days other than Saturdays, Sundays, and federal and state legal holidays, and “days” means calendar days. If the time for performance of an obligation under this Agreement falls on other than a business day, the time for performance shall be extended to the next business day.

6.22 Force Majeure

No Party shall be deemed to be in default where failure or delay in the performance of any of its obligations under this Agreement is caused by floods, earthquakes, other acts of God, fires, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond a Party’s control, shortage of materials (exclusive of prefab/modular building products), prohibitory court actions (such as restraining orders or injunctions) or other causes beyond a Party’s control. If any such events shall occur, the time for performance by any Party of its obligations hereunder shall be extended for the period of time that such events prevented such performance.

6.23 Facsimile Signatures

Signatures delivered by facsimile shall be as binding as originals upon the Parties so signing and delivering, provided that original signatures are provided no later than five (5) business days after delivery of the facsimile signature. This Agreement may be executed in counterparts, each of which shall constitute an original of the Agreement.

6.24 Successors and Assigns

Subject to compliance with the assignment provisions of Section 6.9 above, the provisions of this Agreement shall inure to the benefit of and likewise be binding upon each of the Party's successors and/or assigns, if any.

BUYER:

RESCUE UNION SCHOOL DISTRICT

By: David Swart
David Swart, Superintendent of Schools

BUYER'S BROKER:

DUTRA CERRO GRADEN, INC.

By: _____
Dominic Dutra

SELLER:

Allen R. Hensley
Allen R. Hensley

SELLER:

Michael N. Corbett
Michael N. Corbett

SELLER'S BROKER:

RE/MAX GOLD EL DORADO HILLS
CalBRE#01215931

By: Tracy Iverson
Tracy Iverson, CalBRE# 01303559

ACKNOWLEDGMENT AND ACCEPTANCE

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

INTER-COUNTY TITLE COMPANY

By _____
Its: Authorized Officer

Dated _____, 2015

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

See attached Legal description

EXHIBIT "B"

FORM OF GRANT DEED

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Rescue Union School District

2390 Bass Lake Road
Rescue, California 95672
Telephone: (530) 677-4461
Facsimile: (530) 677-0719
Attention: Superintendent

MAIL TAX STATEMENTS TO:

Same as above

Recording of this document is fee-exempt under Government Code Section 6103. No Documentary Transfer Tax is due on this document pursuant to Revenue and Taxation Code Section 11922.

GRANT DEED

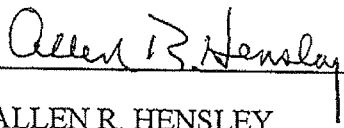
Assessor's Parcel Number: 115-040-06-100

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, ALLEN R. HENSLEY and MICHAEL N. CORBETT ("Grantor"), hereby grants to RESCUE UNION SCHOOL DISTRICT, a school district duly organized and existing under the laws of the State of California ("Grantee"), that certain real property in an unincorporated part of the County of El Dorado, State of California described in Exhibit A to Grant Deed attached hereto and incorporated herein, together with all buildings and improvements located thereon, subject to any covenants, conditions, restrictions, easements and other matters of record (the "Property").

In witness whereof, Grantors have caused this Grant Deed to be executed as of the _____ day of _____, 20__.


GRANTOR:

SELLER:



ALLEN R. HENSLEY

SELLER:



MICHAEL N. CORBETT

MAIL TAX STATEMENTS AS SET FORTH ABOVE

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, 2015 before me, _____ (here insert name and title of the officer), personally appeared personally known to me (or 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.

WITNESS my hand and official seal.

Notary Public

EXHIBIT A
TO
GRANT DEED
[LEGAL DESCRIPTION OF PROPERTY]

EXHIBIT "C"

FORM OF CERTIFICATE OF ACCEPTANCE OF DEDICATION

This is to certify that the interest in real property conveyed by the Grant Deed dated _____, 20__, from HENSLEY REV TRUST 9/4/1998 to the Rescue Union School District, a school district duly organized and existing under the laws of the State of California, is hereby accepted by the undersigned officer on behalf of the Rescue Union School District pursuant to authority conferred by the California Constitution and California Education Code sections 1240, et seq., and the Rescue Union School District consents to the recordation thereof by its duly authorized officer.

Dated: _____

"DISTRICT"

RESCUE UNION SCHOOL DISTRICT,
a school district duly organized and existing
under the laws of the State of California

By: David Swart

Name: David Swart

Its: Superintendent

PROPERTY ACCESS LICENSE

This access license ("License") is made and entered into as of August 3, 2015 ("Effective Date"), by and between Rescue Union School District, a public school district in the State of California ("District") and Allen Hensley, Michael Corbett ("Owner").

RECITALS

WHEREAS, the District is contemplating purchasing Owner's property located at 0 Sienna Road, El Dorado Hills, CA 95762 and otherwise referred to by APN: 115-040-06-10 ("Property"); and

WHEREAS, if District acquires the Property, it intends to build school facilities on the Property ("Project"); and

WHEREAS, District requires access to the Property prior to negotiation of a purchase agreement in order to inspect the Property to determine whether it is suitable for the Project, including whether it meets the environmental requirements of the California Department of Education ("CDE") for a school site.

LICENSE

NOW THEREFORE, in consideration of the mutual promises set forth herein, the District and Owner agree as follows:

1. Grant of Access. As of the Effective Date, the Owner grants to District and District's agents, employees and consultants a nonexclusive, revocable license to enter upon the Property for the purpose of inspecting the Property to determine whether it is a suitable site for construction of the Project, including but not limited to performing destructive testing as may be required by the CDE to approve the Property for location of a public school.
2. Term. The term of this License shall commence on the Effective Date and shall end on the earlier to occur of either: (i) sixty (60) days after the date on which the Owner and District enter into an executed agreement for the purchase and sale of the Property or (ii) N/A. Notwithstanding the foregoing, the Owner may terminate this License by notifying District in writing in the event District is in violation of the terms or conditions of this License, which violation has not been cured within three (3) business days after receipt of written notice from the Owner.
3. Care of Property. While exercising its right to entry under this License, District, at District's sole cost and expense, shall protect the Property from damage and shall promptly repair any damage caused by the entry on to the Property or destructive testing performed on the Property by District and its agents, contractors, subcontractors, materialmen, consultants, employees, licensees, agents, representatives, invitees or others acting for or on behalf of District (collectively "District Agents"). District and District Agents shall keep the

Property reasonably clean and clear of equipment, building materials, debris and similar materials brought onto the Property by District or District Agents, except as such materials and equipment are necessary for inspecting or testing the Property for the purposes set forth in this Agreement. District shall at all times during its entry on to the Property comply with any and all laws and regulations to the extent practicable applicable to activities on the Property and shall require the same of District Agents. District shall leave the Property in safe condition in the event of termination.

4. Hazardous Substances. District shall not introduce or use any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation ("Hazardous Substance") on the Property in violation of any applicable law. In the event District brings a Hazardous Substance on the Property, District shall pay for all costs of testing and remediation, if any, and shall compensate the Owner for any additional costs incurred as a result of District's generation of a Hazardous Substance on the Property. In addition, District shall defend, indemnify and hold harmless Owner and its agents, officers, and employees from and against any and all claims, damages, losses, costs and expenses incurred in connection with, arising out of, or relating to, District's introduction or use of Hazardous Substances on the Property. District shall promptly, and before the Hazardous Substance is disturbed, notify the Owner in writing if it discovers any Hazardous Substance on the Property not introduced by District, and Owner shall remediate the Hazardous Substance or contain the Hazardous Substance.

This section shall survive termination of the License.

5. Assumption of Risk. Each entry by District and District Agents onto the Property shall be at his, her or its own risk at all times. District and District Agents hereby acknowledge that the Property in its existing condition could present certain risks and dangers. District and District Agents hereby assume the risk of, and waive all claims relating to, injury or death to persons and damage to property resulting from any such entry.
6. No Liens or Encumbrances. District shall not suffer or permit as an encumbrance against the Property, or any portion of the Property, any lien or encumbrance of any kind or nature arising from District's access to the Property.
7. Insurance.

Comprehensive General Liability and Automobile Insurance.

Without limiting District's indemnification, it is agreed that District shall maintain in force at all time during the performance of this License a comprehensive general liability and automobile policy utilizing an occurrence policy form, with combined single limits of Three Million dollars (\$3,000,000) or One Million dollars (\$1,000,000) per person, One Million dollars (\$1,000,000)

per accident with no annual aggregate limit. Property damage limits shall be One Million dollars (\$1,000,000) per loss.

Written notification by the carrier to the Owner at least thirty (30) days prior to cancellation, failure to renew, or other termination, is required.

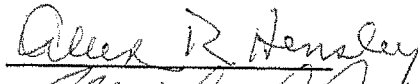
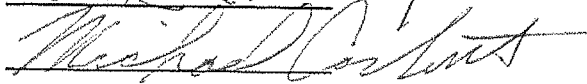
District will, at its own expense, maintain coverage in conformance with above requirements. Certificates of insurance evidencing the existence of coverage shall be provided to Owner at Owner's request.

8. Indemnification. District shall indemnify, defend and hold Owner, its officers, employees and agents free and harmless from all demands, losses and liabilities, including, without limitation, attorneys' fees, arising out of or connected with District's or District Agents' entry onto the Property pursuant to this License.
9. Assignment. Neither party shall assign this License or its rights and obligations hereunder without obtaining the other party's written consent. Any assignment without such written consent shall be void.
10. Entire Agreement. This License constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties, written or oral.
11. Notice. Any notice to be given hereunder to either party shall be in writing in any form acceptable to the parties and addressed as follows:

District:

Rescue Union Elementary School District
2390 Bass Lake Road
Rescue, CA 95672
Attn: Michael "Sid" Albaugh

Owner: Allen Hensley, Michael Corbett

12. Counterparts. This License may be executed in counterparts and a facsimile signature shall be sufficient to bind each party, subject to the terms set forth herein.

13. Effective Upon Approval. This License shall become effective when it has been signed by both parties and ratified by the District's Board of Trustees.
14. Warranty of Authority. Each party executing this License hereby warrants that s/he is lawfully entitled and authorized to bind his or her entity to the terms of this License.
15. Definitions. All terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

IN WITNESS WHEREOF, the parties have executed this License as of the date first written above.

Owner: Allen Hensley, Michael Corbett

Rescue Union School District

X By: Allen R. Hensley

Its: Allen R. Hensley

X By: Michael Corbett

Its: MICHAEL CORBETT

By: Michael "Sid" Albaugh

Its: [Signature]

RESCUE UNION SCHOOL DISTRICT

AGENDA ITEM: **Authorization to Enter into a Purchase and Sale Agreement
Sienna Ridge Property (APN 115-040-08-100)
Owner: Terry Revocable Trust 4/6/1992**

BACKGROUND:

The Rescue Union School District has been pursuing the acquisition of a site for the future construction of a school in the Bass Lake area. The Sienna Ridge Property (APN 115-040-08-100), which includes 10.030 acres of land in the Bass Lake area on Sienna Ridge Road, became available for purchase in 2015. Initial investigations of the property, including an Initial Site Evaluation (*August 10, 2015*) conducted by the California Department of Education, indicate the property is desirable for the future construction of a school site. In addition, the Board will acquire an adjacent property (APN 115-040-06-100), which includes 11.055 acres of land owned by a third party, for the purpose of constructing a school. Moreover, the opportunity to purchase the Sienna Ridge Property will allow the Rescue Union School District to make a future determination as to the plans for the Bass Lake Property purchased in February of 2015 from the El Dorado Irrigation District.

STATUS:

The District receives special taxes (Mello Roos) from the El Dorado Schools Financing Authority Community Facilities District No. 1 designated for the acquisition and building of a school within the boundaries of the Rescue Union School District. The Rescue Union School District will utilize these funds to purchase the property for school facility purposes from the Terry Revocable Trust 4/6/1992 for \$900,000.

FISCAL IMPACT:

The purchase will have no fiscal impact to the General Fund of the District. The El Dorado Schools Financing Authority Community Facilities District No. 1 funds will be used to purchase the property. The estimated total fund balances (unaudited) of the El Dorado Schools Financing Authority Community Facilities District No. 1 for Rescue Union School District in Fund 35 (\$2,367,381), Fund 49 (\$1,765,360), and funds held at El Dorado Union High School District (\$2,252,439) as of June 30, 2015 total \$6,385,180.

BOARD GOAL:

Board Focus Goal II – FISCAL ACCOUNTABILITY:

Keep the district fiscally solvent through prudent LCAP aligned budget processes in order to meet the needs of our students.

Board Focus Goal V - FACILITY / HOUSING

Build, improve and maintain school facilities to meet current and future education needs while integrating the most effective and efficient use of resources.

RECOMMENDATION:

The District Staff recommends the Board approve the Purchase of the Sienna Ridge Property (APN 115-040-08-100) from the Terry Revocable Trust and authorize the Superintendent, or his designee, to execute any documents that are necessary to complete the purchase.

**RESCUE UNION SCHOOL DISTRICT
RESOLUTION NO. 15-18**

EVALUATION OF SIENNA RIDGE PROPERTY
IN ACCORDANCE WITH SITE SELECTION STANDARDS
AND AUTHORIZATION TO ENTER INTO A
PURCHASE AND SALE AGREEMENT FOR THE
SIENNA RIDGE PROPERTY (APN 115-040-08-100)
OWNER: TERRY REVOCABLE TRUST 4/6/1992

WHEREAS, the Board of Trustees (the “Board”) of the Rescue Union School District (the “District”) has indicated a desire to acquire land for the future construction of a school site (the “Project”) in the Bass Lake area; and

WHEREAS, the District has selected, as the most suitable site for the Project, the Sienna Ridge Property (APN 115-040-08-100) (the “Property”), which Property includes 10.030 acres of real property located in El Dorado County; and

WHEREAS, the Property is located in the Bass Lake area on Sienna Ridge Road and has been made available for purchase; and

WHEREAS, the Property is owned by the Terry Revocable Trust 4/6/1992 (“Seller”) who desires to sell the Property for the sum of \$900,000 for school facility purposes; and

WHEREAS, initial investigations of the Property indicate that it is a desirable acquisition for future use as a school site; and

WHEREAS, the Board desires to purchase the Property, along with an adjacent parcel owned by a third party, APN 115-040-06-100 (“Adjacent Parcel”), for the purposes of constructing the Project; and

WHEREAS, the purchase shall have no fiscal impact on the District General Fund because it shall be paid for from the special tax collected pursuant to the provisions of Government Code section 53311, *et seq.* (the “Mello Roos Law”) received from the El Dorado Schools Financing Authority Community Facilities District No. 1 (“CFD”); and

WHEREAS, the Property shall be used for a purpose authorized by the CFD and the Mello-Roos Law; and

WHEREAS, California Education Code Section 17211 requires, prior to acquisition of real property for a new school, that the board of trustees of a school district shall evaluate the property at a public hearing using site selection standards established by the State Department of Education; and

WHEREAS, notice that the District will hold a public hearing in accordance with Education Code Section 17211 was provided to the public within a reasonable period prior to the hearing; and

WHEREAS, the public was given the opportunity to comment on the conformity of the proposed school site with the State Department of Education site selection standards at the public hearing; and

WHEREAS, the State Department of Education has conducted its initial evaluation of the Project using the site selection standards and has made an initial evaluation indicating that the District may proceed with further evaluation of the Property for purposes of seeking final site approval for the Property from the State Department of Education; and

WHEREAS, the District is continuing to evaluate the Property for suitability and has not completed educational or site master planning of the Property; and

WHEREAS, the purchase of the Property is itself a “project” for purposes of the California Environmental Quality Act (“CEQA”) and so requires CEQA review and the preparation of appropriate CEQA documentation before it may be approved, except that under California Code of Regulations, Title 14, section 15004(b) the District may defer such review and document preparation until the District has completed its plans for the use of the Property if it conditions the District’s future use of the Property on compliance with CEQA before such use; and

WHEREAS, the Board intends to so condition the District’s future use of the Property; and

WHEREAS, because the District has not yet completed educational or site master planning of the Property, the District is unable to comply with Education Code section 17211 or with CEQA at this time; and

WHEREAS, this Board has determined that it is in the best interests of the District to defer the requirements with respect to the Property for complying with Education Code section 17211 and with CEQA until after the District has undertaken the educational and facilities master

planning needed for the Property, to condition the District's future use (or change of use) of the Property on completion of such requirements the Property before such use or change of use occurs, and to complete the purchase of the Property in the meantime; and

WHEREAS, upon approval of this Resolution, the Superintendent of the District, or his designee, will be authorized to close escrow pursuant to the other terms of a Purchase and Sale Agreement between the District and Seller (the "Purchase Agreement"), and take other actions necessary or convenient to complete the purchase of the Property.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE RESCUE UNION SCHOOL DISTRICT HEREBY FIND, DETERMINE, AND RESOLVE, as follows:

SECTION 1. The Board adopts the foregoing recitals as true and correct.

SECTION 2. The Board hereby defers the requirements with respect to the Property for complying with Education Code section 17211 and CEQA until after the District has undertaken the additional evaluation of the Property and educational and facilities master planning needed for the use of the Property. In accordance with California Code of Regulations, Title 14, section 15004(b), the Board hereby conditions the District's future use (or change of use) of the Property on CEQA compliance before such use or change of use occurs.

SECTION 3. The Board authorizes the purchase of the Property for Nine Hundred Thousand Dollars (\$900,000), plus additional standard closing costs and fees. The District Superintendent, staff, and consultants are authorized and directed to take all steps necessary or convenient to complete the purchase of the Property in accordance with the Purchase Agreement, which Purchase Agreement, in substantially the form presented to the Board at this meeting (subject to making such changes to the Purchase Agreement as may be necessary or appropriate to consummate the purchase of the Property), is hereby approved and ratified. The District Superintendent, or his designee, is authorized and directed to execute the Purchase Agreement on behalf of the District, give notice to the Seller and Escrow Holder of the District's intention to close escrow as soon as possible, execute a Certificate of Acceptance of the grant deed to the Property, secure appropriate policies of title insurance, and take any and all other steps that may be necessary or convenient to complete the acquisition of the Property, all in accordance with the Purchase Agreement.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Governing Board of the Rescue Union School District on the 8th day of September, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RESCUE UNION SCHOOL DISTRICT

By: _____
President of the Board of Trustees

ATTEST:

Secretary of the Board of Trustees,
Rescue Union School District

**AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY
AND JOINT ESCROW INSTRUCTIONS
BETWEEN
TERRY REVOCABLE TRUST 4/6/1992
AND
RESCUE UNION SCHOOL DISTRICT**

This Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions ("Agreement") is entered into as of September 8, 2015 ("Effective Date") between TERRY REV TRUST 9/4/1992 (together, "Seller"), and the RESCUE UNION SCHOOL DISTRICT, a California Public School District ("Buyer"). Buyer and Seller may also be referred to in this Agreement singularly as a "Party" and collectively as the "Parties."

RECITALS

- A. Seller is the fee owner of 10.030 acres of real property located in El Dorado County, California, APN #115-040-08-100, as more specifically defined in Exhibit A attached, shall be referred herein as the "Property".
- B. The Buyer desires to purchase the Property, along with an adjacent parcel owned by a third party, APN 115-040-06-100 ("Adjacent Parcel"), for the purposes of constructing a school. The third party owner of the Adjacent Parcel shall be referred to as the "Adjacent Parcel Owner".
- C. After reviewing Buyer's proposal, Seller determined that it desired to sell the Property to Buyer.

The Parties therefore agree as follows:

**ARTICLE 1
PURCHASE AND SALE**

1.1 Purchase and Sale of the Property

Subject to the terms and conditions that follow, Seller shall sell to Buyer, and Buyer shall purchase the (i) Property, together with any improvements located thereon, (ii) all easements, licenses, interests, privileges, rights and appurtenances owned or held by Seller relating to the Property, including but not limited to all minerals, oil, gas and other hydrocarbon substances located thereon (except for Hazardous Materials as defined in 2.1(H)), all development rights, air rights water, water right and water stock relating to the Property, and (iii) any and all permits, certificates of occupancy, development agreements, warranties, licenses and other rights owned by Seller with respect to the ownership or operation of the land.

1.2 Purchase Price

- (A) The purchase price for the Property (“Purchase Price”) shall be Nine Hundred Thousand dollars (\$900,000). The Purchase Price is based on the “as is” value of the Property.
- (B) Buyer will pay the Purchase Price to Seller, through Escrow, on the following terms and conditions:
 - (1) Escrow shall be opened at Inter-County Title Company of El Dorado County (“Escrow Holder” or “Title Company”) at the address specified in Article 5 below.
 - (2) Title to the Property shall be conveyed by the Seller to the Buyer by a fully executed and notarized grant deed for the Property (“Grant Deed”) in the form attached as Exhibit B. Buyer shall accept the Grant Deed using the Certificate of Acceptance in the form attached as Exhibit C. The original of the Grant Deed for the Property shall be deposited in Escrow by Seller.
 - (3) The Buyer shall have approved the “Preliminary Title Report” (as hereinafter defined) for the Property and any exceptions stated therein pursuant to the terms of this Agreement.
- (C) If any tenant is on the Property, Seller must terminate the tenancy before the “Close of Escrow” (as hereinafter defined). No tenant has any right to any part of the Purchase Price and Buyer will pay the Purchase Price only to the Seller. If any tenant is on the Property, other than the Seller, Seller will indemnify and defend the Buyer against any claims for any share in the Purchase Price based on that tenancy.

1.3 Due Diligence and Feasibility.

- (A) Within seven (7) days of the Effective Date, Seller shall provide to Buyer all reports or inspection records of systems and subsystems pertaining to the Property that Seller has in its possession including, but not limited to: service contracts, current year tax, maintenance and utility bills, Hazardous Materials reports, soil and ground water conditions reports including those pertaining to topography and drainage, land or building surveys, any Phase I and II Environmental Reports related to the Property, original and/or updated geology, environmental, and engineering reports, soil reports, site plans, and/or other documents plans related to the condition, design, construction and/or eventual modifications to the original condition of the Property.
- (B) Buyer shall have a sixty (60) day “Feasibility Period” from the Effective Date of the Agreement, which may be extended by Buyer’s payment of the Required Deposits (as defined below), to review the condition of the Property and conduct

any and all appropriate geological, engineering, safety and other inspections it determines necessary or as required by state and local law so as to ensure that the Property complies with all state and local requirements applicable to Buyer's proposed use of the Property. Buyer's obligation to purchase the Property is conditioned upon Buyer's approval of the following:

- (1) Buyer's approval of and satisfaction with the physical condition of the Property and all tests, inspections, and studies to be conducted by Buyer, or Seller, including, without limitation, any environmental assessments.
- (2) Buyer's determination that the Property is suitable for Buyer's intended uses.
- (3) Buyer's approval of an appraisal of the Property to be completed in a manner satisfactory for Buyer to secure State funding for acquisition of the Property.

Buyer's failure to disapprove the above conditions within the Feasibility Period shall be deemed Buyer's approval of such conditions.

During the Feasibility Period, Seller shall permit Buyer, and its authorized agents ("Buyer's Agents") to enter onto the Property, at reasonable times and upon reasonable notice, for the purpose of making engineering, geological, planning, development and other studies, inspections and tests.

1.4 Deposits

All deposits required by this Agreement shall be applied to the Purchase Price and shall be collectively referred to as "Required Deposits." Any interest earned on the Required Deposits shall be applied to the Purchase Price. When any Required Deposit becomes non-refundable, it shall be released by Escrow Holder to Seller. The following Required Deposits shall be made by the Buyer:

(A) License Deposit.

Prior to the Effective Date of this Agreement, Buyer paid Seller Two Thousand Dollars (\$2,000.00) as a fee for accessing the Property and beginning its preliminary investigations ("License Deposit"). The License Deposit shall be applied to the Purchase Price. Notwithstanding any other section of this Agreement, the License Deposit became immediately non-refundable and shall under no circumstances be returned to Buyer.

(B) Initial Deposit.

Upon the Effective Date of this Agreement, Buyer shall deposit Twenty-Five Thousand Dollars (\$25,000.00) as an initial deposit ("Initial Deposit") into

Escrow. The Initial Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Initial Deposit shall become non-refundable sixty (60) days from the Effective Date of this Agreement. If, during the first sixty (60) days after the Effective Date of this Agreement, Buyer, in its sole discretion and based upon its investigations identified in Section 1.3, determines that the Property is not suitable for its purposes and terminates this Agreement, the Initial Deposit shall be refunded to Buyer.

(C) First Extension Deposit.

Sixty (60) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty (30) days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("First Extension Deposit") into Escrow, which First Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the First Extension Deposit shall immediately become non-refundable.

(D) Second Extension Deposit.

Ninety (90) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty 30 days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("Second Extension Deposit") into Escrow, which Second Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Second Extension Deposit shall immediately become non-refundable.

(E) Third Extension Deposit.

One hundred twenty (120) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty (30) days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("Third Extension Deposit") into Escrow, which Third Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Third Extension Deposit shall immediately become non-refundable.

(F) Fourth Extension Deposit.

Within one hundred fifty (150) days after the Effective Date of this Agreement, Buyer may extend the Feasibility Period by an additional thirty (30) days by depositing an additional Five Thousand Dollars (\$5,000.00) as a further deposit ("Fourth Extension Deposit") into Escrow, which Fourth Extension Deposit shall be applied to the Purchase Price. Except as otherwise set forth herein, the Fourth Extension Deposit shall immediately become non-refundable.

ARTICLE 2
REPRESENTATIONS AND WARRANTIES

2.1 **Seller's Representations and Warranties**

(A) No Commitments or Agreements

Except as specifically disclosed to Buyer in writing, Seller has made no written commitments or agreements materially and adversely affecting the Property, or any part thereof, or any interest therein, which will survive the Close of Escrow.

(B) Liens

Except as specifically disclosed to Buyer in writing, to the best knowledge of Seller, there are no mechanics', materialmen's or similar claims or liens presently claimed or which will be claimed against the Property for work performed or commenced for Seller or on Seller's behalf.

(C) Rights of Possession

Except as specifically disclosed to Buyer in writing, there are not as of the date of this Agreement, nor will there be as of the Close of Escrow, any written or oral leases or contractual right or option to lease, purchase, or otherwise enjoy possession, rights or interest of any nature in and to the Property and no persons shall have any right of possession to the Property as of the Close of Escrow or at any time thereof.

(D) Ownership and Encumbrances

Seller has not and shall not, prior to Close of Escrow without the prior written consent of Buyer, which consent may be given or denied in Buyer's absolute discretion, enter into any lien, encumbrance, easement or license agreement, or any other agreement permitting others to use the Property, or any portion thereof, or convey any part of the Property.

(E) Full Power and Authority

Neither this Agreement nor anything provided to be done hereunder including the transfer of title to the Property to Buyer violates or shall violate any contract, agreement or instrument to which Seller is a party. Seller has the full power and authority to enter into this Agreement and consummate the transaction contemplated hereby. The execution, delivery and performance of this Agreement has been duly and validly authorized by Seller, and no other action by Seller is requisite to the valid and binding execution, delivery, and performance of this Agreement by Seller.

(F) Litigation

Except as specifically disclosed to Buyer in writing, or otherwise known to the best knowledge of Seller, there are no actions, suits, claims or legal or other proceedings pending or threatened against Seller, which could materially adversely affect Seller's ability to consummate this transaction and to convey the Property to the Buyer.

(G) Reports

To the best of the Seller's knowledge, Seller has made available to the Buyer all third party professional reports within its possession concerning the Property.

(H) Environmental Laws/Hazardous Materials

Except as disclosed in writing by Seller, to the best of Seller's knowledge: (i) there has been no production, storage or disposal on the Property of any Hazardous Material (as defined below) by Seller or, to the best of Seller's knowledge, by any previous owner or tenant of the Property; (ii) Hazardous Materials have not been dumped, buried, leaked, or otherwise released upon, in or under Property or allowed to pass on, under or through the Property at any time during or prior to Seller's ownership of the Property; (iii) Seller has complied with all laws, regulations, and ordinances ("Environmental Laws") relating to the use of all Hazardous Materials used on the Property; (iv) there is no proceeding or inquiry by any federal, state or local governmental agency with respect to the use, production, storage, release or migration of Hazardous Materials on, through or across the Property; and (v) there is no contamination of Hazardous Materials on, at, about, or within the Property, except as has been identified through Buyer's environmental site assessment work. "Hazardous Material" means any hazardous or toxic substance, material or waste that is: (i) regulated by any governmental authority, the State of California or the United States; (ii) defined as an "acutely hazardous waste," "extremely hazardous waste," "hazardous waste," or "waste" under Sections 25110.02, 25115, 25117, or 25124 of the California Health and Safety Code, or listed pursuant to Sections 25141 and 25141.5 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code Division 20 Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) asbestos; (vii) listed under Chapter 10 Division 4.5 of Title 22 or defined as hazardous or extremely hazardous pursuant to Division 21.5 of Title 26 of the California Code of Regulations; (viii) designated as a "hazardous waste" pursuant to Section 6903 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq.; (ix) defined as a "hazardous substance" pursuant to Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq.; (x) any flammable substances or explosives; or (xi) any radioactive material.

- (I) Notices
- Seller has made all disclosures and provided all notices to Buyer which are required by Section 25359.7 of the California Health and Safety Code.
- (J) Best Knowledge
- For purposes of this Section 2.1, the phrase “best of Seller’s knowledge” means the actual knowledge of Majorie Ruth Terry, without any independent investigation having been made, and not based on any implied, imputed or constructive knowledge of Seller.
- (K) To Seller’s knowledge, Seller is not in default of any of its obligations or liabilities pertaining to the Property, nor are there any existing facts, circumstances, conditions, or events that would constitute or result in any default on the giving of notice, the passage of time, or both.
- (L) Seller has not received written notice from any governmental agency that the Property is in violation of any statute or regulation.
- (M) Seller has not:
- (1) Made a general assignment for the benefit of creditors;
 - (2) Filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by its creditors;
 - (3) Suffered the appointment of a receiver to take possession of all or substantially all of its assets;
 - (4) Suffered the attachment or other judicial seizure of all, or substantially all, of its assets;
 - (5) Admitted in writing its inability to pay its debts as they come due; or
 - (6) Made an offer of settlement, extension, or composition to its creditors generally.
- (N) Neither this Agreement, nor anything to be done hereunder, violates or will violate any contract, agreement, or instrument to which Seller is a party, or which to the best of Seller’s knowledge affects the Property. The signature, consent, or acknowledgment of no other person or entity is necessary to validate the signing of this Agreement by Seller or permit its sale of the Property to Buyer.
- (O) If between the Effective Date and the Close of Escrow, Seller or Buyer becomes aware of facts or circumstances which would make any of Seller's representations or warranties hereunder materially incorrect, whether as of the Effective Date or any time thereafter to the Close of Escrow, such fact or circumstance shall not be

construed as a breach by Seller of such applicable representation or warranty but Buyer shall have the right to either: (i) terminate this Agreement if such fact or circumstance would have a material and adverse impact on the Property or Buyer's intended development thereof, such termination being treated as a failure of a condition precedent under Section 3.1, below, or (ii) waive such condition and proceed to Close of Escrow in accordance with this Agreement in which case the representations and warranties of Seller hereunder shall be deemed modified and remade to incorporate such fact or circumstance as an exception thereto.

2.2 Buyer's Representations and Warranties

(A) No Commitments or Agreements

Except as specifically disclosed to Seller in writing, Buyer has made no written commitments to or agreements with any governmental authority or agency materially and adversely affecting the Property, or any part thereof, or any interest therein, which will survive the Close of Escrow.

(B) Liens

Except as specifically disclosed to Seller in writing, to the best knowledge of Buyer, there are no mechanics', materialmen's or similar claims or liens presently claimed against the Property for work performed or commenced for Buyer or on Buyer's behalf.

(C) Ownership and Encumbrances

Buyer shall not, prior to Close of Escrow without the prior written consent of Seller, which consent may be given or denied in Seller's absolute discretion, enter into any lien, encumbrance, easement or license agreement permitting others to use the Property, or any portion thereof, or convey any part of the Property.

(D) Full Power and Authority

Neither this Agreement nor anything provided to be done hereunder including the transfer of title to the Property to Buyer, violates or shall violate any contract, agreement or instrument to which Buyer is a Party. Buyer has the full power and authority to enter into this Agreement and consummate the transaction contemplated hereby. The execution, delivery and performance of this Agreement will have been duly and validly authorized by Buyer upon ratification by Buyer's Board of Trustees, and no other action by Buyer is requisite to the valid and binding execution, delivery, and performance of this Agreement by Buyer.

(E) Litigation

Except as specifically disclosed to Seller in writing, or otherwise known to the best knowledge of Seller, there are no actions or proceedings pending or

threatened against Buyer, which does or will materially adversely affect Buyer's ability to consummate this transaction and to acquire the Property from the Seller.

(F) Change of Representation or Warranty

In the event Buyer acquires knowledge that any such representation or warranty is no longer accurate, Buyer shall immediately advise Seller of same.

(G) Best Knowledge

For purposes of this Section 2.2, the phrase "best of Buyer's knowledge" means the actual knowledge of David Swart, Superintendent of Schools, acting in his representative capacity, and Michael "Sid" Albaugh, Chief Business and Operations Official, acting in his representative capacity, on behalf of, and for, the Buyer only, without any independent investigation having been made, and not based on any implied, imputed or constructive knowledge of Buyer, including all of its officers and directors.

(H) On ratification of this Agreement by the Buyer's Board of Trustees and subject to the conditions precedent set forth in Article 3, Buyer has the full right, power, and authority to enter into and perform Buyer's obligations under this Agreement.

(I) If a Court of law should determine that Seller intentionally concealed or misrepresented any material condition of the Property, including, but not limited to, the presence of any hazardous materials in the soil or water on, under, or around the Property, then Buyer's obligations under this Agreement shall be rendered void and Buyer may pursue any available legal remedies.

ARTICLE 3

CONDITIONS PRECEDENT AND ADJACENT PROPERTY

3.1 Conditions Precedent to Closing of Escrow

The obligation of the Buyer and the Seller to complete this transaction pursuant to this Agreement is subject to the satisfaction, at or before the Close of Escrow, of the conditions contained herein. The Buyer and the Seller agree that each will, in good faith, endeavor to remove all said contingencies and conditions that are within its control. The following are conditions precedent to the Close of Escrow:

- (A) The Buyer must pay the Purchase Price to the Seller by depositing sufficient funds with the Escrow Holder in advance of the time necessary to close escrow pursuant to Section 4.3 of this Agreement;
- (B) Prior to the "Closing Date" (as hereinafter defined), the Parties will deposit with the Escrow Holder the title insurance and escrow closing costs for which they are responsible. The Escrow Holder will place all sums deposited into an Escrow account;

- (C) The Title Company will be prepared to issue the "Title Policy" (as hereinafter defined) in the name of the Buyer for marketable title, free of restrictions, liens, and encumbrances except for those restrictions, liens, and encumbrances specifically allowed by Section 4.4 below, or otherwise approved in writing by the Buyer;
- (D) Seller must have provided Buyer with five (5) signed-originals of this Agreement;
- (E) Buyer's Board of Trustees shall have ratified this Agreement;
- (F) Escrow must not have been canceled or this Agreement terminated;
- (G) The Buyer's and the Seller's covenants, representations, and warranties shown above are true as of the Close of Escrow; and
- (H) Seller and Buyer must not be in breach or default of any of their respective obligations under this Agreement.

3.2 Cancellation of Escrow of Adjacent Property.

If, prior to the Close of Escrow (as defined below), the Adjacent Property Owner cancels escrow on the Adjacent Property or otherwise breaches its agreement with Buyer for purchase of the Adjacent Property causing cancellation of escrow for the Adjacent Property such that Buyer cannot acquire the Adjacent Property, Buyer may terminate this Agreement, without penalty. Notwithstanding any other provision of this Agreement, if Buyer terminates this Agreement pursuant to this Section 3.2, all Required Deposits except the License Deposit shall be returned to Buyer and the Buyer shall pay all escrow cancellation fees.

ARTICLE 4
ESCROW PROVISIONS

4.1 Escrow, Escrow Holder, and Opening of Escrow

Buyer's delivery to Escrow Holder of a fully executed original of this Agreement constitutes the opening of Escrow.

4.2 Escrow Instructions

The Parties shall provide a copy of this Agreement, any supplemental escrow instructions, signed by both Parties, and any other document necessary to consummate the purchase of the Property and to the Close of Escrow as contemplated by this Agreement to the Escrow Holder. Without limiting the effect of the foregoing, Escrow Holder's General Conditions will be binding on Seller and Buyer.

4.3 Close of Escrow

Escrow for the Property shall close upon the recordation of the Grant Deed in accordance with the terms and conditions hereof ("Close of Escrow" or "Closing Date" or "Closing"). Escrow will close within ten (10) days after the end of the Feasibility Period, (as extended by Seller's payment of a Required Deposit), or as extended by mutual written agreement between the Buyer and Seller. Any extension of the Close of Escrow shall not be effective unless and until a fully executed (by Buyer and Seller) original of any such written extension is provided to the Escrow Holder. In any event, the Close of Escrow shall only occur after all conditions set forth in this Agreement have been satisfied or waived.

4.4 Preliminary and Supplemental Title Reports

Within five (5) days following the Effective Date, Seller must instruct Escrow Holder to obtain and provide Buyer with a preliminary title report with respect to the Property ("Preliminary Title Report"), together with copies of the instruments underlying all exceptions that are referred to in the Preliminary Title Report (collectively, the "Title Documents"). Buyer may review and approve the Preliminary Title Report and the Title Documents for a period of thirty (30) days following Buyer's receipt of the Title Documents ("Title Review Period"). If Buyer fails to disapprove any item in the Preliminary Title Report by a writing delivered to Seller and Escrow Holder by the expiration of the Title Review Period, then Buyer will be conclusively considered to have approved the item. Seller shall have a period of ten (10) days after receipt of any notice of disapproval in which to deliver written notice to Buyer of Seller's election to either (i) agree to remove or cure the objectionable items prior to the Close of Escrow, or (ii) decline to remove or cure any such title exceptions and terminate Escrow and this Agreement. If Seller elects to terminate Escrow and this Agreement, Buyer shall have the right, by written notice delivered to Seller within ten (10) days after Buyer's receipt of Seller's notice, to agree to accept the Property subject to the objectionable items in lieu of Seller's termination. However, Buyer is not required to give notice of disapproval of debts, liens to secure debts, delinquent taxes, assessments due as of the Closing Date, or other financing or monetary encumbrances on the Property, and those items will not be considered as "Permitted Exceptions" (as hereinafter defined).

4.5 Condition of Title

At the expiration of the Title Review Period, all matters contained in the Title Documents that Buyer has approved, or is considered to have approved, are "Permitted Exceptions."

Seller must convey the Property to Buyer in fee simple title, which must be, except for the Permitted Exceptions, free and clear of all known mortgages, liens, charges, encumbrances, encroachments, easements, conditions, exception, assessments, taxes, or other defects in title.

4.6 Escrow Closing Costs

(A) Seller shall pay the costs associated with this transaction as follows:

- (1) Fifty percent (50%) of the cost of a standard form CLTA (California Land Title Association) title insurance policy issued by the Escrow Holder as the "Title Insurer," and covering the Property for the Purchase Price ("Title Policy"), plus the additional costs of obtaining an ALTA (American Land Title Association) policy, including the cost of any survey or any endorsements to the policy requested by Buyer.
- (2) Fifty percent (50%) the Escrow Holder's fees.
- (3) Any documentary transfer tax imposed by the County.
- (4) All special taxes or assessments for the period prior to the Closing Date.
- (5) All broker commissions related to this Agreement, including:

Two and one-half percent (2.5%) of the Purchase Price to Buyer's agent, Dutra Cerro Graden, Inc. and any commission fee in accordance with a separate agreement between the Seller and Keller Williams Realty.

(B) Buyer shall pay the costs associated with this transaction as follows:

- (1) Fifty percent (50%) of the cost of a standard form CLTA (California Land Title Association) title insurance policy issued by the Escrow Holder as the "Title Insurer," and covering the Property for the Purchase Price ("Title Policy"), plus the additional costs of obtaining an ALTA (American Land Title Association) policy, including the cost of any survey or any endorsements to the policy requested by Buyer.
- (2) Fifty percent (50%) the Escrow Holder's fees.
- (3) Any recording fees, including recording fees associated with the Parcel Map.
- (4) All special taxes or assessments which are attributable for the period after to the Closing Date.

4.7 Obligations of Buyer

If all of the conditions precedent have been met or waived, then by Close of Escrow, Buyer must deposit with Escrow Holder, in immediately available funds, the Purchase Price plus all other amounts for which Buyer is responsible. Buyer must also deposit the following documents:

- (A) A Certificate of Acceptance meeting the requirements of California Government Code Section 27281;
- (B) A Preliminary Change of Ownership Statement, if required.

4.8 Obligations of Seller

In addition to fulfilling any other obligations required by this Agreement, by Close of Escrow, Seller must deposit into Escrow:

- (A) The Grant Deed in recordable form and duly signed and acknowledged by Seller;
- (B) All sums, including, but not limited to, any sums necessary to **cancel** or pay taxes, special taxes, fees, charges, assessments, and other sums necessary to deliver free and clear title subject only to the Permitted Exceptions;
- (C) Documents reasonably required of Seller by Escrow Holder to **carry out** Close of Escrow. By the Close of Escrow, Seller must sign and deposit with Escrow Holder an original California Form 593-C and Certification of Non-Foreign Status (FIRPTA Certificate); and
- (D) Such proof of Seller's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

4.9 Pro Forma Title Report & Estimated Closing Statement

The Escrow Holder must request from the Title Company a "Pro Forma Title Policy" at least fifteen (15) calendar days before the Close of Escrow and must deliver it to Buyer for Buyer's approval before the Close of Escrow. The Buyer will be considered to have approved the "Pro Forma Title Policy" if it contains only the Permitted Exceptions. The Escrow Holder must deliver to the Buyer and Seller an estimate of Closing Costs at least fifteen (15) calendar days before the Close of Escrow.

4.10 Title Policy

Escrow Holder must deliver to Buyer, through Escrow, an CLTA owner's standard policy of title insurance insuring Buyer as fee owner of the Property, subject only to the usual printed title company exceptions and the Permitted Exceptions, in an amount equal to the Purchase Price, issued by Title Company and dated as of the Close of Escrow, unless Buyer elects to pay for an ALTA policy of title insurance.

4.11 Recording of Documents and Delivery of Funds

On receipt of the funds and instruments described in this Article 4, and on the satisfaction or waiver of the conditions precedent to Close of Escrow, Escrow Holder must:

- (A) Disburse to Seller the cash portion of the Purchase Price, less any Required Deposits withdrawn by the Seller during the Escrow, less any Closing Costs owed by Seller under this Agreement.
- (B) Cause the Grant Deed and other documents as specified in this Agreement to be recorded in the Office of the County Recorder of the County of El Dorado, California;

- (C) Deliver conformed copies of the Grant Deed and all other appropriate documents to Buyer and Seller on Close of Escrow; and
- (E) Deliver an original of the FIRPTA Certificate to Buyer and Seller on Close of Escrow.

4.12 Cancellation of Escrow

If Escrow fails to close because of the default of either Party, the defaulting Party shall be liable for all Escrow cancellation charges. If Escrow fails to close for any other reason, the Parties shall equally split all Escrow cancellation charges.

4.13 Signing of Other Documents; Compliance with Regulations

The Parties will do all things and sign all documents that are reasonably necessary for Close of Escrow to occur. Furthermore, the Parties will comply at their own expense with all applicable laws and governmental regulations required for Close of Escrow to occur, including, but not limited to, any required filings with governmental authorities.

ARTICLE 5
NOTICES

5.1 Notices

All notices under this Agreement must be in writing. All notices must be sent with postage fully prepaid and be addressed to the respective Parties as set forth below or to other addresses and persons as the Parties may designate by written notice to the other Parties. The Notices will be effective:

- (A) When personally delivered by the other Party or messenger or courier of the other Party;
- (B) Three (3)-business days after deposit in the United States mail, registered or certified;
- (C) Twenty four (24) hours after deposit before the daily deadline time with a reputable overnight courier or service; or
- (D) On receipt of a telecopy or fax transmission, if a hard copy of the transmission is thereafter delivered in one of the methods described in (A) through (C) above. However, facsimiles sent after 5:00 p.m. PST, or PDT as applicable, are considered to have been sent the next business day.

TO THE SELLERS:

TERRY REV TRUST 9/4/1992
Marjorie Ruth Terry

8501 Burl Way
Orangevale, Ca 95662

with copy to:

N/A

TO THE BUYER:

Rescue Union School District
2390 Bass Lake Road
Rescue, California 95672
Telephone: (530) 677-4461
Facsimile: (530) 677-0719
Attention: Superintendent

with copy to:

Lozano Smith
One Capitol Mall, Suite 640
Sacramento, California 95814
Telephone: (916) 329-7433
Facsimile: (916) 329-9050
Attention: Megan Macy

TO THE ESCROW HOLDER:

Inter-County Title
4064 Flying C Road, Suite 2
Cameron Park, California 95682
Telephone: (530) 672-7856
Facsimile: (530) 350-4456
Attention: Joni Birkeland

ARTICLE 6
MISCELLANEOUS PROVISIONS

6.1 Entire Agreement, Waivers, and Amendments

This Agreement supersedes all negotiations and previous agreements between the Parties related to the purchase and sale of the Property. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged. Any amendment or modification to this Agreement must be in writing and executed by both Parties.

6.2 Exhibits

Exhibits "A", "B" and "C" attached to this Agreement are incorporated into this Agreement by this reference. The Exhibits are as follows:

- "A" - LEGAL DESCRIPTION OF PROPERTY
- "B" - GRANT DEED
- "C" - PUBLIC AGENCY CERTIFICATE OF ACCEPTANCE

6.3 Effect of Recitals

The Recitals shown above are considered true and are binding on Seller and Buyer.

6.4 Section References

Any reference to any Section of this Agreement cited without a decimal includes all Sections following the cited Section. For example, a reference to Section 5 includes 5.1, 5.1(a), et seq.

6.5 Commissions or Brokerage Fees

Seller shall be responsible for all brokerage fees related to this Agreement as set forth in Section 4.6, which brokerage fee shall be paid out of the sale proceeds from the Property at the Close of Escrow.

6.6 Legal Action

If a dispute arises relating to this Agreement, the Parties shall first attempt to resolve it *through informal discussions*. Any Party may convene such discussions by written notice, and each Party shall reasonably accommodate the other Party with respect to scheduling. If the dispute is not resolved in this manner within thirty (30) days from the date one Party first contacts the other to commence informal discussions hereunder, the dispute shall be heard by a referee pursuant to the provisions of the California Code of Civil Procedure Section 638, et seq. The Parties shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon. If the Parties are unable to agree upon a referee, either party may seek to have one appointed, pursuant to Sections 638 to 645.2 of the California Code of Civil Procedure. The cost of such proceeding shall initially be borne equally by the Parties. However, the prevailing party shall be entitled, in addition to all other costs, to the costs of the reference as an item of recoverable costs.

6.7 Attorney's Fees and Costs

In the event of any legal proceeding arising out of or relating to this Agreement, including the reference procedure referred to in Section 6.6 above, the prevailing Party, as declared by a court or adjudicatory body with competent jurisdiction over the matter, shall be entitled to recover its reasonable attorneys' fees and expenses (including expert witness fees) arising from the proceeding. Attorneys' fees under this Section shall

include attorneys' fees on any appeal and, in addition, a Party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action. In addition to the foregoing award of attorneys' fees to the prevailing Party, the prevailing Party in any lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement.

6.8 Third-Party Beneficiaries

This Agreement confers no rights on any party except the signatories to this Agreement.

6.9 Binding on Heirs

This Agreement is binding on the Parties hereto and their respective heirs or representatives, and their permitted transferees, successors, and assigns.

6.10 Assignment

Neither Party shall have the right to transfer or assign any of its rights or obligations under this Agreement without the prior written consent of the other Party. Further, Seller may only assign this Agreement to another entity and be relieved of all liability or responsibility under this Agreement, provided that such assignee fully assumes all of Seller's obligations hereunder in a writing approved and duly executed by the Buyer and the assignee, and only where the assignee demonstrates to the satisfaction of the Buyer its capability, both financial and practical, to properly and fully complete and perform all obligations hereunder; otherwise Seller will retain all obligations.

6.11 Obligations Survive Close of Escrow

All obligations to be performed at a time after the Close of Escrow, whether specifically referred to as surviving the Close of Escrow or not, and all covenants, representations and warranties of the Parties, will survive the Close of Escrow.

6.12 Severability

If a court of competent jurisdiction holds any provision in this Agreement to be invalid or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired in any way.

6.13 Governing Law

This Agreement must be construed according to its fair meaning and as if prepared by both Buyer and Seller. This Agreement must be construed in accordance with the laws of the State of California in effect on the Effective Date. Any action or proceeding seeking any relief under or with respect to this Agreement shall be brought solely in the Superior Court of the State of California for the County of El Dorado.

6.14 Time is of the Essence

Time is of the essence in this Agreement.

6.15 Condemnation

If before Close of Escrow, the Property or any portion thereof is destroyed or damaged, the Seller shall apply all proceeds of any insurance policy applicable to the loss to the restoration of the Property. If, before Close of Escrow, the Property becomes subject to a taking by virtue of eminent domain, the Buyer shall have a right to contest the taking of the Property as the highest and best use of the property, or shall have the right to modify this Agreement with Seller to locate the Property at another mutually agreeable location. The Buyer and the Seller shall cooperate to locate a suitable alternative site for the School and renegotiate the terms of the Agreement accordingly.

6.16 Headings

Headings at the beginning of each Article and Section are solely for the convenience of the Parties and must not to be construed as enlarging or limiting the language following the headings.

6.17 Nondiscrimination

Buyer and Seller must not discriminate against any person because of race, color, religion, sex, marital status, national origin, or ancestry in the performance of their respective obligations under this Agreement.

6.18 Rights and Remedies are Cumulative

Unless stated otherwise in this Agreement, the rights and remedies of the Parties are cumulative. A Party's exercise of any of its right or remedies will not preclude its exercise, at the same or at different times, of any other rights or remedies for the same, or any other default.

6.19 Cooperation

Seller must provide Buyer, without demand, copies of all planning, engineering, architectural and other project documents, and all modifications to those documents, relating to the Property.

6.20 Possession of Property

Subject to the provisions of the Site Lease, the Parties agree that Buyer may take possession of the Property for all purposes immediately following the Close of Escrow.

6.21 Business Days

In this Agreement; “business days” means days other than Saturdays, Sundays, and federal and state legal holidays, and “days” means calendar days. If the time for performance of an obligation under this Agreement falls on other than a business day, the time for performance shall be extended to the next business day.

6.22 Force Majeure

No Party shall be deemed to be in default where failure or delay in the performance of any of its obligations under this Agreement is caused by floods, earthquakes, other acts of God, fires, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond a Party’s control, shortage of materials (exclusive of prefab/modular building products), prohibitory court actions (such as restraining orders or injunctions) or other causes beyond a Party’s control. If any such events shall occur, the time for performance by any Party of its obligations hereunder shall be extended for the period of time that such events prevented such performance.

6.23 Facsimile Signatures

Signatures delivered by facsimile shall be as binding as originals upon the Parties so signing and delivering, provided that original signatures are provided no later than five (5) business days after delivery of the facsimile signature. This Agreement may be executed in counterparts, each of which shall constitute an original of the Agreement.

6.24 Successors and Assigns

Subject to compliance with the assignment provisions of Section 6.9 above, the provisions of this Agreement shall inure to the benefit of and likewise be binding upon each of the Party's successors and/or assigns, if any.

BUYER:

RESCUE UNION SCHOOL DISTRICT

By: _____

David Swart
David Swart, Superintendent of Schools

BUYER'S BROKER:

DUTRA CERRO GRADEN INC

By: _____

Dominic Dutra

SELLER:

TERRY REV TRUST 9/4/1992

Marjorie Ruth Terry 8-26-2015

Marjorie Ruth Terry, Trustee

SELLER'S BROKER:

KELLER WILLIAMS REALTY

By: _____

Shawn Singleterry 8/26/2015
Shawn Singleterry CalBRE#01930442

ACKNOWLEDGMENT AND ACCEPTANCE

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

INTER-COUNTY TITLE COMPANY

By _____

Dated _____, 2015

Its: Authorized Officer

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

See attached Legal description

EXHIBIT "B"

FORM OF GRANT DEED

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Rescue Union School District
2390 Bass Lake Road
Rescue, California 95672
Telephone: (530) 677-4461
Facsimile: (530) 677-0719
Attention: Superintendent

MAIL TAX STATEMENTS TO:

Same as above

Recording of this document is fee-exempt under Government Code Section 6103. No Documentary Transfer Tax is due on this document pursuant to Revenue and Taxation Code Section 11922.

GRANT DEED

Assessor's Parcel Number: 115-050-06-10

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the undersigned, TERRY REV TRUST 9/4/1992 ("Grantor"), hereby grants to RESCUE UNION SCHOOL DISTRICT, a school district duly organized and existing under the laws of the State of California ("Grantee"), that certain real property in an unincorporated part of the County of El Dorado, State of California described in Exhibit A to Grant Deed attached hereto and incorporated herein, together with all buildings and improvements located thereon, subject to any covenants, conditions, restrictions, easements and other matters of record (the "Property").

In witness whereof, Grantors have caused this Grant Deed to be executed as of the _____ day of _____, 20____.

GRANTOR:

SELLER:

TERRY REV TRUST 9/4/1992

Marjorie Ruth Terry, Trustee

**[INSERT ANY OTHER REQUIRED
SIGNATURES]**

MAIL TAX STATEMENTS AS SET FORTH ABOVE

EXHIBIT A

TO

GRANT DEED

[LEGAL DESCRIPTION OF PROPERTY]

EXHIBIT "C"

FORM OF CERTIFICATE OF ACCEPTANCE OF DEDICATION

This is to certify that the interest in real property conveyed by the Grant Deed dated _____, 20 __, from TERRY REV TRUST 9/4/1992 to the Rescue Union School District, a school district duly organized and existing under the laws of the State of California, is hereby accepted by the undersigned officer on behalf of the Rescue Union School District pursuant to authority conferred by the California Constitution and California Education Code sections 1240, et seq., and the Rescue Union School District consents to the recordation thereof by its duly authorized officer.

Dated: _____

"DISTRICT"

RESCUE UNION SCHOOL DISTRICT,
a school district duly organized and existing
under the laws of the State of California

By: David Swart

Name: David Swart

Its: Superintendent

PROPERTY ACCESS LICENSE

This access license ("License") is made and entered into as of August 3, 2015 ("Effective Date"), by and between Rescue Union School District, a public school district in the State of California ("District") and _Marjorie Ruth Terry, Terry Rev Trust 4/6/92 ("Owner").

RECITALS

WHEREAS, the District is contemplating purchasing Owner's property located at Bass Lake Hills, El Dorado Hills, CA 95762 and otherwise referred to by APN No. 115-040-08-10 ("Property"); and

WHEREAS, if District acquires the Property, it intends to build school facilities on the Property ("Project"); and

WHEREAS, District requires access to the Property prior to negotiation of a *purchase agreement in order to inspect the Property to determine whether it is suitable for the Project*, including whether it meets the environmental requirements of the California Department of Education ("CDE") for a school site.

LICENSE

NOW THEREFORE, in consideration of the mutual promises set forth herein, the District and Owner agree as follows:

1. Grant of Access. As of the Effective Date, the Owner grants to District and District's agents, employees and consultants a nonexclusive, revocable license to enter upon the Property for the purpose of inspecting the Property to determine whether it is a suitable site for construction of the Project, including but not limited to performing destructive testing as may be required by the CDE to approve the Property for location of a public school.
2. Term. The term of this License shall commence on the Effective Date and shall end on the earlier to occur of either: (i) sixty (60) days after the date on which the Owner and District enter into an executed agreement for the purchase and sale of the Property or (ii) N/A. Notwithstanding the foregoing, the Owner may terminate this License by notifying District in writing in the event District is in violation of the terms or conditions of this License, which violation has not been cured within three (3) business days after receipt of written notice from the Owner.
3. Care of Property. While exercising its right to entry under this License, District, at District's sole cost and expense, shall protect the Property from damage and shall promptly repair any damage caused by the entry on to the Property or destructive testing performed on the Property by District and its agents, contractors, subcontractors, materialmen, consultants, employees, licensees, agents, representatives, invitees or others acting for or on behalf of District

(collectively "District Agents"). District and District Agents shall keep the Property reasonably clean and clear of equipment, building materials, debris and similar materials brought onto the Property by District or District Agents, except as such materials and equipment are necessary for inspecting or testing the Property for the purposes set forth in this Agreement. District shall at all times during its entry on to the Property comply with any and all laws and regulations to the extent practicable applicable to activities on the Property and shall require the same of District Agents. District shall leave the Property in safe condition in the event of termination.

4. Hazardous Substances. District shall not introduce or use any substance, chemical or waste that is identified as hazardous, toxic or dangerous in any applicable federal, state or local law or regulation ("Hazardous Substance") on the Property in violation of any applicable law. In the event District brings a Hazardous Substance on the Property, District shall pay for all costs of testing and remediation, if any, and shall compensate the Owner for any additional costs incurred as a result of District's generation of a Hazardous Substance on the Property. In addition, District shall defend, indemnify and hold harmless Owner and its agents, officers, and employees from and against any and all claims, damages, losses, costs and expenses incurred in connection with, arising out of, or relating to, District's introduction or use of Hazardous Substances on the Property. District shall promptly, and before the Hazardous Substance is disturbed, notify the Owner in writing if it discovers any Hazardous Substance on the Property not introduced by District, and Owner shall remediate the Hazardous Substance or contain the Hazardous Substance.

This section shall survive termination of the License.

5. Assumption of Risk. Each entry by District and District Agents onto the Property shall be at his, her or its own risk at all times. District and District Agents hereby acknowledge that the Property in its existing condition could present certain risks and dangers. District and District Agents hereby assume the risk of, and waive all claims relating to, injury or death to persons and damage to property resulting from any such entry.
6. No Liens or Encumbrances. District shall not suffer or permit as an encumbrance against the Property, or any portion of the Property, any lien or encumbrance of any kind or nature arising from District's access to the Property.
7. Insurance.

Comprehensive General Liability and Automobile Insurance.

Without limiting District's indemnification, it is agreed that District shall maintain in force at all time during the performance of this License a comprehensive general liability and automobile policy utilizing an occurrence policy form, with combined single limits of Three Million dollars (\$3,000,000) or

One Million dollars (\$1,000,000) per person, One Million dollars (\$1,000,000) per accident with no annual aggregate limit. Property damage limits shall be One Million dollars (\$1,000,000) per loss.

Written notification by the carrier to the Owner at least thirty (30) days prior to cancellation, failure to renew, or other termination, is required.

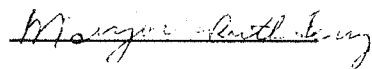
District will, at its own expense, maintain coverage in conformance with above requirements. Certificates of insurance evidencing the existence of coverage shall be provided to Owner at Owner's request.

8. Indemnification. District shall indemnify, defend and hold Owner, its officers, employees and agents free and harmless from all demands, losses and liabilities, including, without limitation, attorneys' fees, arising out of or connected with District's or District Agents' entry onto the Property pursuant to this License.
9. Assignment. Neither party shall assign this License or its rights and obligations hereunder without obtaining the other party's written consent. Any assignment without such written consent shall be void.
10. Entire Agreement. This License constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes any and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties, written or oral.
11. Notice. Any notice to be given hereunder to either party shall be in writing in any form acceptable to the parties and addressed as follows:

District:

Rescue Union Elementary School District
2390 Bass Lake Road
Rescue, CA 95672
Attn: Michael "Sid" Albaugh

Owner: Marjorie Ruth Terry, Terry Rev Trust 4/6/92



12. Counterparts. This License may be executed in counterparts and a facsimile signature shall be sufficient to bind each party, subject to the terms set forth herein.
13. Effective Upon Approval. This License shall become effective when it has been signed by both parties and ratified by the District's Board of Trustees.

14. Warranty of Authority. Each party executing this License hereby warrants that s/he is lawfully entitled and authorized to bind his or her entity to the terms of this License.
15. Definitions. All terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

IN WITNESS WHEREOF, the parties have executed this License as of the date first written above.

Owner: Marjorie Ruth Terry,
Terry Rev Trust 4/6/92

8-26-2015
By: Marjorie Ruth Terry
By: _____

Rescue Union School District
By: David Swart
Its: SUPERINTENDENT