

## PURCHASE AGREEMENT

1. Purchase and Sale. Pursuant to this Purchase Agreement (the “**Agreement**”), dated \_\_\_\_\_, 2024 (the “**Agreement Date**”), Blosser Fee Owner, LLC, a Delaware limited liability company (“**Seller**”), agrees to sell to the City of Santa Maria (“**Buyer**”), and Buyer agrees to purchase from Seller, the real property known as Lot 6 of Tract 6022 (Blosser Ranch subdivision/ Acquistapace Tract) (the “**Property**”) consisting of approximately twenty-one and 13/100s (21.13) acres of gross undeveloped land located in Santa Maria, Santa Barbara County, California, as more particularly described and depicted on Exhibit A hereto.

2. Quimby Act/Subdivision Fee Credits. In exchange for Seller’s conveyance of the Property to Buyer, Buyer agrees to provide Seller with a full credit for any and all Quimby Act/Subdivision Fees payable under Title 11 of the Santa Maria Municipal Code or any similar or analogous statute (“**Fees**”) for all phases of the subdivision, development, and construction of Tract 6022 in Santa Maria (including but not limited to Lots 1 through 5 and 7 through 12 of Tract 6022), also known as Blosser Ranch (collectively, the “**Project**”), including any increases in such fees in excess of those that would be payable for the Project on the Closing Date (collectively, the “**Quimby Act/Subdivision Fee Credits**”); provided that the Quimby Act/Subdivision Fee Credit shall not include a credit for Fees for more than 1170 non-accessory residential dwellings units (i.e. units which are not accessory dwelling units) in total; provided further that, to the extent, as a result of change in law after the date of this Agreement, Fees are payable for accessory dwelling units, Seller shall receive a Quimby Act/Subdivision Fee Credit for up to 327 accessory dwelling units at the Project. This right to the Quimby Act/Subdivision Fee Credits shall run with the land and inure to the benefit of Seller and any subsequent or successor owner of all or any portion of the Project, and to the extent the Project is owned by more than one owner, such owners shall have the right to allocate the Quimby Act/Subdivision Fee Credits amongst such owners as determined by such owners in their sole discretion. For avoidance of doubt, Buyer’s obligation hereunder is personal to Buyer and may not be assigned. Based on the current plans for the Project as of the date of this Agreement and the law in effect as of the date of this Agreement, the Quimby Act/Subdivision Fee Credits would be \$3,242,172. Other than Quimby Act/Subdivision Fee Credits for up to 1170 non-accessory residential dwelling units and up to 327 accessory dwelling units at the Project, no other fees are credited to Seller pursuant to this Agreement. This Section 2 shall survive the Close of Escrow.

3. Opening of Escrow. Within one (1) Business Day (hereinafter defined) after the mutual execution of this Agreement, the parties shall open an escrow (the “**Escrow**”) with Fidelity Title Company, 555 S. Flower Street, Suite 4420, Los Angeles, CA 90071, Attn: Bobby Purdy (“**Escrow Holder**”), and Buyer shall deliver to Escrow Holder a signed copy of this Agreement. The Parties shall execute such additional instructions not inconsistent or conflicting with the provisions of this Agreement which may be reasonably required by Escrow Holder and shall be bound by Escrow Holder’s instructions; provided, however, if any conflict or inconsistency between the provisions of this Agreement and the provisions of Escrow Holder’s instructions exists or arises, the provisions of this Agreement shall control.

4. Close of Escrow. The “**Close of Escrow**” shall occur on the date that is fifteen (15) business days after the Agreement Date (the “**Closing Date**”). Buyer shall pay all closing costs and expenses, including transfer taxes and recording fees and escrow fees incurred in connection with the Close of Escrow and for any title policy desired by Buyer (“**Closing Costs**”). Any title insurance which Buyer elects to purchase with respect to the Property shall be at Buyer’s sole expense, and the issuance of such policy shall not be a condition to the Buyer’s obligations hereunder. Buyer and Seller shall each pay their own attorneys’ fees incurred in connection with this Agreement and the Close of Escrow.

5. **NO REPRESENTATIONS; PURCHASE AS-IS.** NEITHER SELLER, NOR ANYONE ACTING FOR OR ON BEHALF OF SELLER, HAS MADE ANY REPRESENTATION, WARRANTY, PROMISE OR STATEMENT, EXPRESS OR IMPLIED,

TO BUYER, OR TO ANYONE ACTING FOR OR ON BEHALF OF BUYER, CONCERNING THE PROPERTY OR ADJACENT REMAINING PROJECT, INCLUDING, WITHOUT LIMITATION, THE POTENTIAL USE OR POTENTIAL DEVELOPMENT THEREOF, IF ANY, THE VALUE THEREOF, IF ANY, OR ANY OTHER CHARACTERISTIC OR FEATURE OF THE PROPERTY OR ADJACENT REMAINING PROJECT. BUYER FURTHER REPRESENTS AND WARRANTS THAT, IN ENTERING INTO THIS AGREEMENT, BUYER HAS NOT RELIED ON ANY REPRESENTATION, WARRANTY, PROMISE OR STATEMENT, EXPRESS OR IMPLIED, OF SELLER, OR ANYONE ACTING FOR OR ON BEHALF OF SELLER, AND THAT BUYER IS PURCHASING THE PROPERTY BASED SOLELY ON BUYER'S OWN PRIOR DUE DILIGENCE INVESTIGATIONS, INSPECTIONS AND EXAMINATIONS OF THE PROPERTY (OR BUYER'S ELECTION NOT TO DO SO); AND THAT, BUYER IS PURCHASING THE PROPERTY IN AN "AS-IS, WHERE-IS" AND "WITH ALL FAULTS" PHYSICAL AND LEGAL CONDITION AND IN AN "AS-IS, WHERE-IS" AND "WITH ALL FAULTS" STATE OF REPAIR. BUYER DOES HEREBY WAIVE, AND SELLER DOES HEREBY DISCLAIM, ALL WARRANTIES OF ANY TYPE OR KIND WHATSOEVER WITH RESPECT TO THE PROPERTY OR REMAINING ADJACENT PROJECT. SPECIFICALLY, BUYER AGREES THAT IT IS NOT RELYING ON SELLER'S DEVELOPMENT OR CONSTRUCTION OF IMPROVEMENTS ON THE PROPERTY OR ANY OTHER PORTION OF THE ADJACENT PROJECT, INCLUDING BUT NOT LIMITED TO, THE COMPLETION OF LA BREA AVENUE OR WESTERN AVENUE OR ANY UTILITY AND SIDEWALK OR ACCESS IMPROVEMENTS ON THE PROPERTY OR THE ADJACENT PROJECT AND THAT SELLER MAY ELECT TO MAKE SUCH IMPROVEMENTS OR NOT MAKE SUCH IMPROVEMENTS AND IF ELECTED, MAY MAKE SUCH IMPROVEMENTS AT SUCH TIME DETERMINED BY SELLER IN ITS SOLE DISCRETION.

This Section 5 shall survive the Close of Escrow.

6. Release and Indemnity by Buyer. Buyer, and any person or entity claiming by, through or under Buyer, and Buyer on behalf of any successor or assign, each hereby fully and irrevocably releases, discharges and waives its rights to recover from Seller and its affiliates and each of their respective direct and indirect agents, shareholders, members, and owners (the "Seller Parties"), any and all claims that Buyer may now have or hereafter acquire against any of the Seller Parties for any cost, loss, claim, penalty, fine, lien, judgment, liability, damage, expense, action or cause of action (including, without limitation, attorneys' fees and costs) (collectively, "Claims"), whether foreseen or unforeseen, direct or indirect, known or unknown, arising from or related to events or circumstances which have heretofore or may hereafter occur in connection with this Agreement, or at or in relation to the Property. Buyer agrees to indemnify, defend and hold Seller Parties, harmless from Claims made after the Closing Date hereof with respect to the Property. This release includes Claims of which Buyer is presently unaware or which Buyer does not presently suspect to exist in its favor which, if known by Buyer, would materially affect Buyer's release of Seller. In connection with the general release set forth in this Section 5, Buyer specifically waives the provisions of California Civil Code Section 1542, which provides as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

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Buyer's Initials

This Section 6 shall survive the Close of Escrow.

7. Other Conditions:

(a) Seller is responsible for the following: Installation of the proposed 10” waterline on the Property as set forth in the conditions of approval of permit for the Acquistapace Tract Map 6022 (Blosser Ranch subdivision). Said waterline is to be installed and in-service no later than September 30, 2024. If Seller fails to construct the waterline by September 30, 2024, Seller shall authorize Buyer and its designated contractor to construct the waterline and to put it in-service and, as Buyer’s sole and exclusive remedy at law or equity for Seller’s failure to install such waterline by such date, Seller shall reimburse Buyer for all third party out of pocket costs incurred by Buyer with installation of such waterline up to a maximum of \$225,000, which reimbursement shall be payable by Seller to Buyer as additional fees payable as part of Seller’s development of Phase 1 of the Project.

(b) Buyer is responsible for the following: Installation of a multi-purpose path extending from Battles Road to Stowell Road as set forth in the conditions of approval of permit for the Acquistapace Tract Map 6022 (Blosser Ranch subdivision) affecting the Property, as depicted on the approved map.

8. Deposits by Seller. No later than one (1) Business Day prior to the Closing Date, Seller shall deposit with Escrow Holder the following:

(a) A grant deed in the form of Exhibit B attached hereto, duly executed by Seller, conveying the Property to Buyer (the “Deed”);

(b) A certification of non-foreign status in the form required by law, if required by the Escrow Holder;

(c) A mutually acceptable form of a joint closing statement, setting forth the Closing Costs respecting the Property to be paid pursuant to this Agreement (the “Closing Statement”), duly executed by Seller; and

(d) A title affidavit (if in form and substance acceptable to Seller), evidence of good standing and authority, and such other customary instruments as are reasonably required by Escrow Holder or Title Company or otherwise required to proceed to the Closing and consummate the purchase and sale of the Property in accordance with the terms of this Agreement; provided that any such instruments do not increase Seller’s liability or obligations under this Agreement.

9. Deposits by Buyer. Except as otherwise expressly set forth below, Buyer shall, no later than two (2) Business Days prior to the Closing Date, deposit with Escrow Holder the following:

(a) The Closing Costs, as described under Section 2 above;

(b) One (1) counterpart original or copy of the Closing Statement, duly executed by Buyer;

(c) Applicable sales tax filings, evidence of good standing and authority, and such other customary instruments as are reasonably required by Seller or Escrow Holder or otherwise required to proceed to the Closing and consummate the purchase and sale of the Property in accordance with the terms of this Agreement; provided that any such instruments do not materially increase Buyer’s liability or obligations under this Agreement; and

(d) Documentation evidencing Buyer and any applicable government agency or municipalities’ approval of the issuance and granting of the Quimby Act/Subdivision Fee Credits to Seller without any further condition in a form acceptable to Seller.

10. Buyer Access to Property. Seller will make available to Buyer and Buyer’s consultants, agents and employees, reasonable access to the Property for such inspections, examinations, tests, or any other reasonable investigations of the Property as Buyer deems appropriate, subject to the following:

(a) Buyer agrees that all entry and access to the Property, and the conduct of all physical tests, examinations and other studies that Buyer elects to make under this Agreement, must be scheduled through and coordinated with Seller. Seller agrees to cooperate with Buyer with respect to the scheduling of all requested entry and access and the performance of tests, examinations and other studies as contemplated hereunder.

(b) Upon the completion of any such inspection or test, Buyer will promptly restore the Property to its condition prior to such inspection or test, at Buyer's sole expense.

(c) Buyer agrees to defend, indemnify and hold Seller harmless from and against any and all mechanic's liens that may be filed against the Property and any and all other liabilities and claims for personal injury or property damage, including reasonable attorneys' fees, arising by reason of the performance of any of such inspection of the Property or access to the Property by Buyer or its representatives.

(d) This Section 10 shall survive the Close of Escrow or termination of this Agreement.

11. Representations and Warranties. Seller and Buyer represent, warrant and covenant that it has received all necessary approvals (including, with regard to Buyer, any approvals necessary to grant the Quimby Act/Subdivision Fee Credits to Seller at Close of Escrow) and has all requisite power and authority to enter into this Agreement and to perform its obligations hereunder. This Section 11 shall survive the Close of Escrow.

12. Construction. Buyer and Seller and attorneys for each have participated in the drafting and preparation of this Agreement. Therefore, the provisions of this Agreement shall not be construed in favor of or against either party, but shall be construed as if both Buyer and Seller equally prepared this Agreement.

13. Attorney Fees. If the Agreement or the transaction contemplated herein gives rise to a lawsuit or other legal proceeding between the parties hereto, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees in addition to any other judgment of the court.

14. Assignment. Seller may assign this Agreement to a successor owner of the Property and any lender to Seller or its affiliate without obtaining the prior written consent of Buyer. Any other assignment of this Agreement must be consented to by both parties in writing.

15. Entire Agreement. The Agreement sets forth all of the promises, covenants, agreements, conditions and undertakings between the parties with respect to the subject matter of this Agreement, and supersedes all prior and contemporaneous agreements and understandings. The Agreement may not be changed orally but only by an agreement in writing, duly executed by the party or parties against whom enforcement of any waiver, change, modification, consent or discharge is sought.

16. Limitation on Liability. In no event shall any individual person, member, partner, affiliate, officer, director, agent or employee of Seller or Buyer or any of Seller's or Buyer's affiliates be or be held liable or responsible in any way for the obligations or liabilities of such Party under this Agreement.

17. Notices. All notices required or permitted by the Agreement shall be in writing and may be delivered in person to either party at the addresses listed after the signature blocks in the Agreement, or may be sent by registered or certified mail, with postage prepaid, return receipt requested or delivered by Express Mail of the U.S. Postal Service or Federal Express or any other courier service guarantying overnight delivery, or may be transmitted by electronic mail. Any notice sent by registered or certified, return receipt requested, mail shall be deemed duly given and received 72 hours after the same is so addressed, and notices delivered by overnight service shall be deemed to have been given 24 hours after

deliver of the same, charges prepaid. Any notice or other document sent by any other manner shall be effective only upon actual receipt thereof.

18. Further Assurances and Documentation. Each party agrees in good faith to take such further actions and execute such further documents as may be necessary or appropriate to fully evidence and carry out the intent and purpose of this Agreement.

19. Partial Invalidity. If any term or provision or portion thereof of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision or portion thereof to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

20. Calculation of Time. If a date for taking an action or giving notice falls on a Saturday, Sunday or holiday, then the date for the performance of such action or giving of such notice automatically shall be extended to the next succeeding business day. The term “**Business Day**” means a day other than a Saturday, Sunday or holiday.

21. Counterparts and Electronic Signatures. The Agreement may be executed simultaneously in counterparts, or with electronic signatures through an electronic signature platform such as DocuSign, either of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

22. Governing Law. This Agreement shall be governed by the laws of California.

*[Signatures follow on the next page]*

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the Agreement Date.

**SELLER:**

BLOSSER FEE OWNER, LLC,  
a Delaware limited liability company

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

Name:

Title:

Address:

**BUYER:**

CITY OF SANTA MARIA

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

Name:

Title:

Address:

EXHIBIT A

Legal Description of the Property

APN: 117-240-055

**EXHIBIT B**

**FORM OF GRANT DEED**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_

APN:

(Space Above For Recorder's Use)

City of Santa Maria  
County of Santa Barbara

**GRANT DEED**

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged,

**BLOSSER FEE OWNER, LLC**, a Delaware limited liability company

hereby **GRANTS**

to the **CITY OF SANTA MARIA**,

that certain real property ("**Property**") in the City of Santa Maria, County of Santa Barbara, State of California, together with all improvements located thereon, which is more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference.

Commonly known as: \_\_\_\_\_

This conveyance is subject to: any liens not now due or payable for taxes and assessments for real property; all other covenants, conditions, restrictions of record; reservations of record; easements, encumbrances, and title matters of record; and all matters which an accurate survey and/or inspection of the Property would reveal.

In exchange for Grantor's conveyance of the Property to Grantee, Grantee agrees to provide Grantor with a full credit for any and all Quimby Act/Subdivision Fees payable under Title 11 of the Santa Maria Municipal Code or any similar or analogous statute ("**Fees**") for all phases of the subdivision, development, and construction of Tract 6022 in Santa Maria (including but not limited to Lots 1 through 5 and 7 through 12 of Tract 6022), also known as Blosser Ranch (collectively, the "**Project**"), including any increases in such fees in excess of those that would be payable for the Project on the date of this Grant Deed (collectively, the "**Quimby Act/Subdivision Fee Credits**"); provided that the Quimby Act/Subdivision Fee Credit shall not include a credit for Fees for more than 1170 non-accessory residential dwellings units (i.e. units which are not accessory dwelling units) in total; provided further that, to the extent, as a result of change in law after the date of this Grant Deed or otherwise, Fees are payable for accessory dwelling units, Grantor shall receive a Quimby Act/Subdivision Fee Credit for up to 327 accessory dwelling units at the Project. This right to the Quimby Act/Subdivision Fee Credits

shall run with the land and inure to the benefit of Grantor and any subsequent or successor owner of all or any portion of the Project, and to the extent the Project is owned by more than one owner, such owners shall have the right to allocate the Quimby Act/Subdivision Fee Credits amongst such owners as determined by such owners in their sole discretion. For avoidance of doubt, Grantee's obligation hereunder is personal to Grantee and may not be assigned. Based on the current plans for the Project as of the date of this Agreement and the law in effect as of the date of this Grant Deed, the Quimby Act/Subdivision Fee Credits would be \$3,242,172. Other than Quimby Act/Subdivision Fee Credits for up to 1170 non-accessory residential dwelling units and up to 327 accessory dwelling units at the Project, no other fees are credited to Grantor pursuant to this Grant Deed .

[Signatures/Notary Acknowledgement/Legal Description to be provided under final form of Grant Deed]

IN WITNESS WHEREOF, Grantor has caused this Grant Deed to be executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_.

GRANTOR:

BLOSSER FEE OWNER, LLC,  
a Delaware limited liability company

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

Name:

Title:

GRANTEE:

CITY OF SANTA MARIA

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

Name:

Title:

EXHIBIT A: LEGAL DESCRIPTION