

AGREEMENT FOR THE EXCHANGE OF REAL PROPERTY

THIS AGREEMENT FOR THE EXCHANGE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS (this “**Agreement**”) is made as of this ____ day of _____, 2022 (“**Effective Date**”), by and between the CITY OF COACHELLA, a public body, corporate and politic (“**City**”), and IMPERIAL IRRIGATION DISTRICT, a California irrigation district organized under the California Irrigation District Law (California Water Code Section 20500 *et seq.*) (“**District**”). District and City are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. District is the owner of that certain vacant real property generally located at 9th Street and Shady Lane in the City of Coachella, County of Riverside, consisting of approximately 1.73 acres as more particularly described in Exhibit “A” attached hereto (“**District Property**”). The District Property shall be conveyed as required herein with utility easement reservations as determined necessary by District (“**Reserved Easements**”).

B. City is the owner of that certain real property generally located at 86-351 Avenue 52 in the City of Coachella, County of Riverside (APN 763-131-002), as more particularly described in Exhibit “B” attached hereto (“**City Property**”). City Property is currently encumbered by an easement to District for use as an electrical substation.

C. District desires to transfer the District Property to the City for governmental use, and City desires to transfer the City Property to the District for governmental use, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, based upon the foregoing facts, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Transfer of Properties. Upon the satisfaction or waiver of all of the conditions precedent to the Close of Escrow set forth in Section 5 below, (a) District shall acquire the City Property from City, and (b) City shall acquire the District Property from District (the “**Exchange**”).

2. Escrow and Title.

2.1. Escrow Holder. The Exchange shall be consummated through an escrow (the “**Escrow**”) at Fidelity National Title Company, located at 4210 Riverwalk Parkway, Suite 100, Riverside, CA 92505, escrow officer Kimberly Gill (the “**Escrow Holder**”).

2.2. Title Company. Any title policies issued to City with respect to the District Property and to District with respect to the City Property, respectively, in connection with the Exchange shall be issued by Fidelity National Title Company, located at 4210 Riverwalk Parkway, Suite 100, Riverside, CA 92505, title officer Chris Scurti (the “**Title Company**”).

2.3. Escrow Instructions. Escrow shall be opened within three (3) days following the execution of this Agreement by delivery to Escrow and acceptance of this Agreement by Escrow Holder in writing. Escrow Holder shall open an Escrow for the consummation of the Exchange pursuant to the terms of this Agreement and this Agreement shall constitute the joint escrow instructions of the Parties to Escrow Holder. Upon Escrow Holder's receipt of the fully executed Agreement, Escrow Holder is authorized to act in accordance with the terms of this Agreement. District and City shall execute Escrow Holder's general escrow instructions upon request; provided, however, that if there is any conflict or inconsistency between such general escrow instructions and this Agreement, this Agreement shall control.

2.4. Definition of Close of Escrow. For purposes of this Agreement, the term "Close of Escrow" shall mean the time when Escrow Holder shall have recorded the Grant Deeds as set forth in Section 6.4.3.

2.5. Preliminary Title Report. Within (10) business days following the Effective Date, City and District shall cause the Escrow Holder to deliver a current preliminary title report for the City Property and the District Property to each entity at the addresses listed in Section 13.1. The preliminary title reports shall show the status of title to the respective properties as of the date of the preliminary title reports and be accompanied by copies of all documents referred to on Schedule B of the preliminary title reports (individually referred to as either the "City Property Report" or "District Property Report").

2.6. Reservation of Utility Easements. The Parties acknowledge that it is necessary for the grant of District Property to include a reservation of a portion thereof for the easements and rights of way of every kind or nature, including but not limited to express, prescriptive, merged or implied easements, easements and rights of way as existed before or after District acquired title, as used by District, as created by District, or as reserved by District, and whether of record or not, as set forth on Exhibit "A" attached hereto and made a part hereof.

3. District's Approval of Condition of Title; Due Diligence.

3.1. Review of Condition of Title. District shall have fifteen (15) days from the receipt of the City Property Report provided pursuant to Section 2.5 to give City and Escrow Holder written notice of its approval of the City Property Report or the disapproval of any title exception that is unacceptable to District. Those exceptions which District has approved on the City Property Report are hereinafter referred to as the "City Property Permitted Exceptions." The City Property Permitted Exceptions shall exclude any delinquent taxes or any taxes due and payable prior to the Close of Escrow and/or any and all other monetary liens or encumbrances on the City Property.

3.2. City Property Title Insurance Policy. At the option of District, and upon District's request, at the Close of Escrow and as a condition thereto, the Title Company shall issue to District a policy of title insurance (the "City Property Title Policy") as to the City Property, containing the terms and provisions set forth in this Section 3.2. The City Property Title Policy shall be an ALTA Standard Coverage Owner's Policy of Title Insurance issued by the Title Company in an amount determined by District, showing fee simple title to the City Property vested in District, subject only to non-delinquent taxes and assessments, the City Property Permitted Exceptions, and such other matters as to which District may consent in writing. The premium for the City Property Title Policy and any costs in connection with the search and examination of title

and/or for the issuance of the City Property Report shall be paid by District. The City Property Title Policy shall be issued without reliance on any indemnity of City or any third party to induce Title Company to issue the City Property Title Policy, without the prior written consent of District. If District so elects and the Title Company agrees, the City Property Title Policy may include such endorsements as District may reasonably request; provided however that all such endorsements shall be issued at District's sole cost and expense. In addition, if District so elects and the Title Company agrees to issue an ALTA Extended Coverage Owner's Policy (2006 Form), the City Property Title Policy as defined above shall be an ALTA Extended Coverage Policy rather than a ALTA Standard Coverage Policy, with all other elements remaining the same; provided however that such ALTA Extended coverage shall be issued at District's sole cost and expense.

3.3. Due Diligence. Commencing on the Effective Date and for forty-five (45) days thereafter ("**Due Diligence Period**"), the District shall complete all of its due diligence investigations of the City Property to determine the suitability of the properties for the District, at District's sole cost and expense ("**Due Diligence Investigations**"). District shall rely solely and exclusively upon the results of its Due Diligence Investigations. City makes no representation or warranty to the District relating to the condition of the City Property or suitability of the City Property for any intended use by the District.

3.4. District's Right to Cancel. Until the expiration of the Due Diligence Period, District will have the unconditional right to cancel this Agreement by giving written notice to City and Escrow Holder of cancellation at or prior to the expiration of the Due Diligence Period. If District timely elects to cancel this Agreement, Escrow Holder will immediately cancel the escrow, and neither District nor City will have any further obligations under this Agreement, other than those obligations that expressly survive the termination of this Agreement.

3.5. Right of Entry. During the period from and after the Opening Date of Escrow and continuing until the Closing, District may enter upon the City Property upon at least forty-eight (48) hours prior written notice to City with City's representatives and agents for the purpose of examining the City Property, provided such examinations do not interfere with the activities of City on the City Property; provided, however, if District proposes to make any tests in connection with any environmental report or any other tests which involve drilling, boring or other similar intrusive or invasive action on or under the City Property, then District shall obtain City's written consent prior to making any such tests. District shall use care and consideration in connection with any of its examinations or tests and City shall have the right to be present during any examination of the City Property by District or its agents. District shall restore the City Property to its original condition after any and all tests and/or examinations. District shall indemnify and hold City harmless from any and all losses, liabilities, costs, claims, damages, judgments, actions, proceedings, penalties, liens or expenses of any kind or nature whatsoever resulting or arising from District or its representatives', contractors', employees' and/or agents' entry and activities upon the City Property, which obligation shall survive the expiration or earlier termination of this Agreement and the Close of Escrow. Prior to any entry upon the City Property by District or District's agents, contractors, subcontractors or employees and at all times prior to the Closing, District shall obtain and maintain commercial general liability insurance with a financially responsible insurance company covering the activities of District and District's agents, contractors, subcontractors and employees on or upon the City Property. The Parties expressly agree that nothing herein affects the easement rights currently held by District.

4. City's Approval of Condition of Title; Due Diligence.

4.1. City's Review of Condition of Title. City shall have fifteen (15) days from the receipt of the District Property Report to give District and Escrow Holder written notice of its approval of the District Property Report or the disapproval of any title exception that is unacceptable to City. Those exceptions which City has approved on the District Property Report are hereinafter referred to as the "**District Property Permitted Exceptions.**" The District Property Permitted Exceptions shall exclude any delinquent taxes or any taxes due and payable prior to the Close of Escrow and any other monetary liens or encumbrances on the District Property.

4.2. District Title Insurance Policy. At the option of the City, and upon the City's request, at the Close of Escrow and as a condition thereto, the Title Company shall issue to City a policy of title insurance (the "**District Property Title Policy**") as to all or part of the District Property, containing the terms and provisions set forth in this Section 4.2. The District Property Title Policy shall be an ALTA Standard Coverage Owner's Policy of Title Insurance issued by the Title Company in an amount determined by the City, showing fee simple title to the District Property, vested in City, subject only to non-delinquent taxes and assessments, the District Property Permitted Exceptions, and such other matters as to which City may consent in writing. The premium for the District Property Title Policy and any costs in connection with the search and examination of title and/or for the issuance of the District Property Report shall be paid by the City. The District Property Title Policy shall be issued without reliance on any indemnity of District or any third party to induce Title Company to issue the District Property Title Policy, without the prior written consent of City. If City so elects and the Title Company agrees, the District Property Title Policy may include such endorsements, respectively and as applicable, as City may reasonably request; provided however that all such endorsements shall be issued at City's sole cost and expense. In addition, if City so elects and the Title Company agrees to issue one or more ALTA Extended Coverage Owner's Policy (2006 Form), the "**District Property Title Policy**" as defined above shall be an ALTA Extended Coverage Policy rather than an ALTA Standard Coverage policies, with all other elements remaining the same; provided however that such extended ALTA Extended coverage shall be issued at the City's sole cost and expense.

4.3. Due Diligence. Commencing on the Effective Date and for forty-five (45) days thereafter ("**Due Diligence Period**"), the City shall complete all of its due diligence investigations of the District Property to determine the suitability of the properties for the City, at City's sole cost and expense ("**Due Diligence Investigations**"). City shall rely solely and exclusively upon the results of their respective Due Diligence Investigations. District makes no representation or warranty to the City relating to the condition of the District Property or suitability of the District Property for any intended use by City.

4.4. City's Right to Cancel. Until the expiration of the Due Diligence Period, City will have the unconditional right to cancel this Agreement by giving written notice to District and Escrow Holder of cancellation at or prior to the expiration of the Due Diligence Period. If City timely elects to cancel this Agreement, Escrow Holder will immediately cancel the escrow, and neither District nor City will have any further obligations under this Agreement, other than those obligations that expressly survive the termination of this Agreement.

4.5. Right of Entry. During the period from and after the Opening Date of Escrow and continuing until the Closing, City may enter upon the District Property upon at least forty-eight (48) hours prior written notice to District with District's representatives and agents for

the purpose of examining the District Property, provided such examinations do not interfere with the activities of District on the District Property; provided, however, if City proposes to make any tests in connection with any environmental report or any other tests which involve drilling, boring or other similar intrusive or invasive action on or under the District Property, then City shall obtain District's written consent prior to making any such tests. City shall use care and consideration in connection with any of its examinations or tests and District shall have the right to be present during any examination of the District Property by City or its agents. City shall restore the District Property to its original condition after any and all tests and/or examinations. City shall indemnify and hold District harmless from any and all losses, liabilities, costs, claims, damages, judgments, actions, proceedings, penalties, liens or expenses of any kind or nature whatsoever resulting or arising from City or its representatives', contractors', employees' and/or agents' entry and activities upon the District Property, which obligation shall survive the expiration or earlier termination of this Agreement and the Close of Escrow. Prior to any entry upon the District Property by City or its agents, contractors, subcontractors or employees and at all times prior to the Closing, each entity shall obtain and maintain commercial general liability insurance with a financially responsible insurance company covering the activities of their respective agents, contractors, subcontractors and employees on or upon the District Property.

5. Conditions Precedent to Close of Escrow.

5.1. District's Conditions. Each of the following shall constitute a condition precedent to the obligations of District to close the Escrow and may be waived only by a written waiver executed by District and delivered to City and to Escrow Holder:

5.1.1. Documents. The applicable documents described in Section 6.3.2 shall have been deposited in Escrow by City.

5.1.2. Title Policy. If requested by District, the Title Company shall be irrevocably committed to issue the City Property Title Policy upon the Close of Escrow.

5.1.3. No Material Change. As of the Close of Escrow, there shall be no material change in the City Property that would materially impair District's use or development of the City Property.

5.1.4. Representations and Warranties. All of City's representations and warranties as set forth herein shall be true as of the Close of Escrow.

5.1.5. No Default. City shall not be in material default hereunder. If District does not give Escrow Holder written notice of City's default, for purposes of this Section 5.1.5 only, City shall be deemed not to be in default hereunder, and Escrow Holder shall proceed with the Close of Escrow as though City were not in default. District's failure to give such notice to Escrow Holder shall not excuse performance by City of any obligation hereunder.

5.2. City's Conditions. Each of the following shall constitute a condition precedent to the obligations of City to close the Escrow and may be waived only by a written waiver executed by City and delivered to District and to Escrow Holder:

5.2.1. Documents. The applicable documents described in Section 6.3.1 shall have been deposited in Escrow by District.

5.2.2. Title Policy. If requested by City, the Title Company shall be irrevocably committed to issue the District Property Title Policy upon the Close of Escrow.

5.2.3. No Material Change. As of the Close of Escrow, there shall be no material change in the District Property that would materially impair City's use or development of the District Property.

5.2.4. Representations and Warranties. All of District's representations and warranties as set forth herein shall be true as of the Close of Escrow.

5.2.5. No Default. District shall not be in material default hereunder. If City does not give Escrow Holder written notice of District's default, for purposes of this Section 5.2.5 only, District shall be deemed not to be in default hereunder, and Escrow Holder shall proceed with the Close of Escrow as though District were not in default. City's failure to give such notice to Escrow Holder shall not excuse performance by District of any obligation hereunder.

6. Close or Cancellation of Escrow.

6.1. Closing Date.

6.1.1. Provided that this Agreement is not earlier terminated pursuant to the terms and provisions hereof and provided that all of the conditions precedent to the Close of Escrow have been satisfied or waived, the Parties agree that the Escrow shall close and Escrow Holder is instructed to close the Escrow on the date that is thirty (30) days after the expiration of all Due Diligence Periods (as defined in Section 3.3 and Section 4.3), (the "**Closing Date**"), unless extended as described in Section 6.1.2; provided however, that in no event shall the Closing Date be later than _____, 2022 ("**Outside Closing Date**"). Escrow Holder by closing the Escrow shall be deemed to have irrevocably committed to cause the Title Company to issue any requested District Property Title Policy and City Property Title Policy.

6.1.2. In the event that either Party believes it is necessary to extend the Closing Date, that Party shall have the right to unilaterally extend the Closing Date by ten (10) days by providing written notice to the other Party before the Closing Date. Each Party shall only be entitled to one unilateral extension. The Parties may subsequently extend the Closing Date only by written agreement of both Parties, except that in no event shall the Closing Date be later than the Outside Closing Date without the written agreement of both Parties.

6.1.3. In the event that the Close of Escrow fails to occur by the Outside Closing Date, and neither Party is in default of its obligations hereunder, then the Party for whose benefit the non-satisfied condition exists may cancel the Escrow by written notice to the other Party and to Escrow Holder. In the event that, due to an "**Event of Default**" by a "**Defaulting Party**" (as the quoted terms are defined in Section 9.1 below), the Close of Escrow fails to occur by the Outside Closing Date, then without waiving any rights or remedies which the non-Defaulting Party may have against the Defaulting Party under Section 9, the non-Defaulting Party may cancel the Escrow upon written notice to the Defaulting Party and to Escrow Holder. In the event that the non-Defaulting Party elects not to terminate this Agreement, then the non-Defaulting Party may pursue the remedies for such Event of Default as provided in Section 9.

6.2. Escrow Cancellation.

6.2.1. If, for any reason, the Escrow is cancelled pursuant to Section 6.1.3, Escrow Holder shall return to the Parties delivering same all instruments which are then held by Escrow Holder in connection with the Escrow.

6.2.2. If the Escrow is cancelled pursuant to Section 6.1.3 and neither Party is in default of its obligations hereunder, this Agreement shall be deemed to be terminated (with the exception of those provisions which expressly state that they are to survive such termination), and District and City shall each bear one-half (1/2) of the title and Escrow fee and cancellation charges, if any. In such event, neither Party shall be obligated to the other to close the Escrow hereunder.

6.2.3. If the Escrow is cancelled pursuant to Section 6.1.3 and District is the Defaulting Party, District shall pay the Escrow fee and cancellation charges.

6.2.4. If the Escrow is cancelled pursuant to Section 6.1.3 and City is the Defaulting Party, City shall pay the Escrow fee and cancellation charges.

6.3. Items to be Delivered into Escrow.

6.3.1. District. On or before one (1) business day prior to the Closing Date, District shall execute and deposit in Escrow the following:

(a) Immediately available funds in the amount of District's share of costs and prorations described in Sections 7.1;

(b) A fully executed grant deed conveying fee simple title to the District Property to the City (the "**District Grant Deed**"), in the form of Exhibit "C" attached hereto, in recordable form;

(c) A nonforeign transferor declaration (the "**Nonforeign Transferor Declaration**") in the form of Exhibit "E" attached hereto;

(d) A California state tax withholding certificate in accordance with the requirements of California Revenue and Taxation Code Sections 18805(d) and 26131 (California Form 593-W for Non-Individual Sellers and California Form 593-C for Individual Sellers), executed by District (the "**District California Tax Certificate**"); and

(e) Such other documents as may be reasonably required by Title Company or Escrow Holder in order to issue one or more of the District Property Title Policy, if requested by the City, or otherwise required to transfer the District Property to City in accordance with the terms of this Agreement.

6.3.2. City. On or before one (1) business day prior to the Closing Date, City shall execute and deposit in Escrow the following:

(a) Immediately available funds in the amount of City's share of costs and prorations described in Sections 7.2;

(b) A fully executed grant deed conveying fee simple title to the City Property to District (the “**City Grant Deed**”), in the form of Exhibit “D” attached hereto, in recordable form;

(c) A nonforeign transferor declaration (the “**Nonforeign Transferor Declaration**”) in the form of Exhibit “E” attached hereto;

(d) A California state tax withholding certificate in accordance with the requirements of California Revenue and Taxation Code Sections 18805(d) and 26131 (California Form 593-W for Non-Individual Sellers and California Form 593-C for Individual Sellers), executed by City (the “**City California Tax Certificate**”); and

(e) Such other documents as may be reasonably required by Title Company or Escrow Holder in order to issue the City Property Title Policy, if requested, or otherwise required to transfer the City Property to District in accordance with the terms of this Agreement.

6.4. Escrow Holder’s Instructions. At such time as the conditions precedent to the Close of Escrow have been satisfied or waived, Escrow Holder shall:

6.4.1. Collate the counterparts of the Exchange Agreement into two fully executed counterparts;

6.4.2. Date, as of the Close of Escrow, all instruments calling for a date;

6.4.3. Record the District Grant Deed and the City Grant Deed in the Official Records of Riverside County, California (“**Official Records**”);

6.4.4. Give City and District written notice that the Close of Escrow has occurred; and

6.4.5. Deliver to City the District Property Title Policy, and to District the City Property Title Policy, if so requested.

6.5. Post-Closing Matters. After the Close of Escrow, Escrow Holder shall deliver the following:

6.5.1. To City: A copy, as recorded, of the District Grant Deed for the District Property, the original Nonforeign Transferor Declaration executed by District, the original District California Tax Certificate executed by District, and plain copies of the Nonforeign Transferor Declaration and the City California Tax Certificate executed by City.

6.5.2. To District: A copy, as recorded, of the Grant Deed for the City Property, the original Nonforeign Transferor Declaration executed by City, the original City California Tax Certificate executed by City, and plain copies of the Nonforeign Transferor Declaration and the District California Tax Certificate executed by District.

6.6. IRS Form 1099-S. For purposes of complying with Section 6045 of the Internal Revenue Code, as amended by Section 1521 of the Tax Reform Act of 1986, Escrow Holder shall be deemed the “person responsible for closing the transaction,” and shall be

responsible for obtaining the information necessary to file and shall file within the time specified with the Internal Revenue Service Form 1099-S, "Statement for Recipients of Proceeds from Real Estate, Broker and Barter Exchange Transactions."

7. Costs and Prorations.

7.1. Costs to be Paid by District. District shall pay the following costs:

7.1.1. The premium for the City Property Title Policy, if such policy is requested by District;

7.1.2. Property tax prorated to the Close of Escrow and documentary transfer taxes, if any, due with respect to the transfer of the District Property;

7.1.3. One-half (1/2) of the Escrow fee.

7.2. Costs to be Paid by City. City shall pay the following costs:

7.2.1. The premium for the District Property Title Policy, and to the extent applicable if one or more of such policies are requested by City;

7.2.2. Property tax prorated to the Close of Escrow and documentary transfer taxes, if any, due with respect to the transfer of the City Property;

7.2.3. One-half (1/2) of the Escrow fee.

8. Representations and Warranties; Covenants.

8.1. District's Representations and Warranties. As a material inducement to City to enter into this Agreement, District makes the following covenants, representations, and warranties to City set forth in this Section 8.1 as of the date hereof and as of the Close of Escrow.

8.1.1. Property Owner. District is the owner of the District Property and has the right, power, and authority to transfer the same to City pursuant to this Agreement.

8.1.2. District's Authority to Execute Agreement. District is a duly organized, validly existing public agency organized and existing under the laws of the State of California. Neither the execution and delivery of this Agreement nor the performance or consummation of the transactions contemplated by this Agreement will result in any breach of or constitute a default under or conflict with any agreement, covenant, law, regulation, ordinance, or obligation binding upon District. District has the legal right, power and authority to enter into this Agreement and all documents, instruments, or agreements referenced herein to be executed by District, and to consummate the transaction contemplated hereby. All individuals executing this Agreement and all other documents, instruments, or agreements required hereunder, on behalf of District, have the legal right, power, and actual authority to bind District to the terms and conditions hereof and thereof.

8.1.3. Compliance with Law. District has no knowledge and has received no notice (i) that the District Property is in violation of any applicable statutes, ordinances, and regulations, including those relating to environmental and health and safety requirements including those governing the storage, discharge, use, and cleaning of toxic or hazardous substances and materials; (ii) of any presently pending or threatened action or proceeding under any environmental or health and safety statutes, ordinances, or regulations; or (iii) of the existence of any present or pending order or directive of any city, county, state, or federal authority, or any agency thereof, requiring that any work or repair, maintenance, improvement, or pollution or contamination abatement be performed on the District Property.

8.1.4. No Litigation. There are no actions, suits, or proceedings of any kind or nature whatsoever, legal or equitable, pending or, to the best of District's knowledge, threatened against District or the District Property or relating to or arising out of the ownership, management, condition, or operation of the District Property, in any court or before or by any federal, state, county, or municipal department, commission, board, bureau, agency, or other governmental instrumentality.

8.1.5. No Mechanic's Liens. No work has been done upon, or materials delivered to, the District Property by or at the request of District, or with District's knowledge, which is not fully paid for, nor, to the best of District's knowledge, does any person, firm, or corporation now have, nor, to the best of District's knowledge, will it have upon the giving of any notice or passage of time or otherwise, any mechanic's or materialman's lien rights with respect to the District Property or any part or parcel thereof.

8.1.6. No Adverse Agreements. There are no adverse possessors, tenancies, or occupancy agreements affecting possession of the District Property, or any portion thereof, except as disclosed in this Agreement, nor has any option to purchase the District Property, or any portion thereof, been granted by District to any party. No party (other than the City pursuant to this Agreement) has the right to acquire the District Property.

8.1.7. No Bankruptcy Proceedings. District is not the subject of a bankruptcy, insolvency, or similar proceeding.

8.1.8. Environmental Status. To the best of District's knowledge, District warrants and represents to City that it is not aware that any release of Hazardous Materials has come to be located upon or under the District Property. Neither District nor, to the actual knowledge of District, without duty of inquiry, any third parties during the period of time the District Property has been owned by District have generated, handled, manufactured, stored, used, transported, or discharged any Hazardous Materials on, in, or under the District Property, the groundwater or any adjacent property. District is not aware of any underground storage tanks located on or under the District Property. As used herein, the term "Hazardous Materials" shall mean any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, including but not limited to those substances, materials or wastes regulated now or in the future under any of the following statutes or regulations promulgated thereto: (1) any "hazardous substance" within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA") 42 U.S.C. Section 9601, *et seq.* or the California Hazardous Substance Account Act, Cal. Health and Safety Code Section 25300 *et seq.* or the Porter-Cologne Water Quality Act, Cal. Water Code Section 13000 *et seq.* or the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, *et seq.*; (2) any

“hazardous waste” within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 *et seq.*; or (3) any other substance, chemical, waste, toxicant, pollutant, or contaminant regulated by any federal, state, or local law, statute, rule, regulation, or ordinance for the protection of health or the environment, including, without limitation, any petroleum products or fractions thereof.

8.1.9. AS-IS. District acknowledges that District has inspected the City Property and made its own independent investigation of the City Property. District further acknowledges that it is acquiring the City Property “AS-IS,” in reliance solely on its own inspection of the City Property and on City’s representations and warranties as set forth herein.

8.2. City’s Representations and Warranties. As a material inducement to District to enter into this Agreement, City makes the following covenants, representations and warranties to District set forth in this Section 8.2 as of the date hereof and as of the Close of Escrow.

8.2.1. Property Owner. City is the owner of the City Property and has the right, power, and authority to transfer the same to District pursuant to this Agreement.

8.2.2. City’s Authority to Execute Agreement. City is a duly organized, validly existing public agency organized and existing under the laws of the State of California. Neither the execution and delivery of this Agreement nor the performance or consummation of the transactions contemplated by this Agreement will result in any breach of or constitute a default under or conflict with any agreement, covenant, law, regulation, ordinance, or obligation binding upon City. City has the legal right, power, and authority to enter into this Agreement and all documents, instruments or agreements referenced herein to be executed by agency, and to consummate the transaction contemplated hereby. All individuals executing this Agreement and all other documents, instruments, or agreements required hereunder, on behalf of City, have the legal right, power, and actual authority to bind City to the terms and conditions hereof and thereof.

8.2.3. Compliance with Law. City has no knowledge and has received no notice (i) that the City Property is in violation of any applicable statutes, ordinances, and regulations, including those relating to environmental and health and safety requirements including those governing the storage, discharge, use, and cleaning of toxic or hazardous substances and materials; (ii) of any presently pending or threatened action or proceeding under any environmental or health and safety statutes, ordinances, or regulations; or (iii) of the existence of any present or pending order or directive of any city, county, state, or federal authority, or any agency thereof, requiring that any work or repair, maintenance, improvement, or pollution or contamination abatement be performed on the City Property.

8.2.4. No Litigation. There are no actions, suits, or proceedings of any kind or nature whatsoever, legal or equitable, pending or, to the best of City’s knowledge, threatened against City or the City Property or relating to or arising out of the ownership, management, condition, or operation of the City Property, in any court or before or by any federal, state, county or municipal department, commission, board, bureau, city, or other governmental instrumentality.

8.2.5. No Mechanic’s Liens. No work has been done upon, or materials delivered to, the City Property by or at the request of City, or with City’s knowledge, which is not fully paid for, nor, to the best of City’s knowledge, does any person, firm or corporation now have,

nor, to the best of City's knowledge, will it have upon the giving of any notice or passage of time or otherwise, any mechanic's or materialman's lien rights with respect to the City Property or any part or parcel thereof.

8.2.6. No Adverse Agreements. There are no adverse possessors, tenancies, or occupancy agreements affecting possession of the City Property, or any portion thereof, except as disclosed in this Agreement, nor has any option to purchase the City Property, or any portion thereof, been granted by City to any party. No party (other than District pursuant to this Agreement) has the right to acquire the City Property.

8.2.7. No Bankruptcy Proceedings. City is not the subject of a bankruptcy, insolvency, or similar proceeding.

8.2.8. Environmental Status. To the best of City's knowledge, City warrants and represents to District that it is not aware that any release of Hazardous Materials has come to be located upon or under the City Property. Neither City nor, to the actual knowledge of City, without duty of inquiry, any third parties during the period of time the City Property has been owned by City have generated, handled, manufactured, stored, used, transported, or discharged any Hazardous Materials on, in or under the City Property, the groundwater or any adjacent property. City is not aware of any underground storage tanks located on or under the City Property. As used herein, the term "Hazardous Materials" shall mean any toxic or hazardous substance, material, or waste or any pollutant or contaminant or infectious or radioactive material, including but not limited to those substances, materials, or wastes regulated now or in the future under any of the following statutes or regulations promulgated thereto: (1) any "hazardous substance" within the meaning of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA") 42 U.S.C. Section 9601, *et seq.* or the California Hazardous Substance Account Act, Cal. Health and Safety Code Section 25300 *et seq.* or the Porter-Cologne Water Quality Act, Cal. Water Code Section 13000 *et seq.* or the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, *et seq.*; (2) any "hazardous waste" within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 *et seq.*; or (3) any other substance, chemical, waste, toxicant, pollutant or contaminate regulated by any federal, state, or local law, statute, rule, regulation or ordinance for the protection of health or the environment, including, without limitation, any petroleum products or fractions thereof.

8.2.9. AS-IS. City acknowledges that City has inspected the District Property and made its own independent investigation of the District Property, and that the District is transferring the District Property to City in its "AS-IS" condition, in reliance solely on its own inspection of the District Property and on District's representations and warranties as set forth herein.

9. Default.

9.1. Events of Default. The failure of a Party (the "Defaulting Party") to perform any material act to be performed by such Party, to refrain from performing any material prohibited act, or to fulfill any condition to be fulfilled by such Party under this Agreement, or under any agreement referred to herein or attached hereto as an exhibit, within ten (10) days after written notice of such failure from the Non-Defaulting Party shall be an "Event of Default" by the Defaulting Party with respect to the Defaulting Party's obligations hereunder; provided, however, that if more than ten (10) days are reasonably required in order to cure such Event of

Default, then the Defaulting Party shall be entitled to a maximum of thirty (30) days to effect such cure, provided the Defaulting Party commences cure within such ten (10) day period and diligently proceeds to complete such cure within such thirty (30) day period.

9.2. Remedies. Upon the occurrence of any Event of Default by a Defaulting Party, the non-Defaulting Party shall have such rights or remedies available to it under this Agreement or at law or in equity.

10. Casualty Loss; Condemnation.

10.1. Notice Re Condemnation or Casualty; Election. In the event that, prior to the Close of Escrow, all or any portion of the District Property or City Property is taken or proposed to be taken as a result of the exercise or proposed exercise of the power of eminent domain (a “**Condemnation Action**”), or all or any portion of the District Property or City Property is damaged by earthquake, flood, or fire (a “**Casualty**”), then the Party that is the current property owner shall, within ten (10) days thereafter, give written notice of such Condemnation Action or Casualty to the other Party (“**Noticed Party**”). Such Noticed Party shall have thirty (30) days following receipt of such notice to elect in writing to accept or not to accept the District Property or City Property, as the case may be, subject to such Casualty or Condemnation Action. Failure of a Noticed Party to notify the other Party of its election within such thirty (30) day period shall be deemed an election not to accept the District Property or City Property, as the case may be, subject to such Casualty or Condemnation Action.

10.2. Termination of Agreement. In the event that a Noticed Party elects not to accept the District Property or City Property, as the case may be, subject to such Casualty or Condemnation Action as provided in Section 10.1, the Noticed Party shall cancel the Escrow by written notice to Escrow Holder and the Party that is the current property owner and this Agreement shall be deemed to be terminated (with the exception of those provisions which expressly state that they are to survive such termination), and District and City shall each bear one-half (1/2) of the Escrow fee and cancellation charges. In such event, neither Party shall be obligated to the other to close the Escrow hereunder.

10.3. Proceeds of Condemnation or Casualty Insurance. In the event that a Noticed Party elects to accept the District Property or City Property, as the case may be, subject to a Casualty or Condemnation Action pursuant to Section 10.1, then the Party owning the property shall assign to the Noticed Party all rights, causes of action, claims, benefits, payments, and awards arising from such Condemnation Action or Casualty (including, without limitation, any amount due from or paid by any insurance company or any other party as a result of the damage).

11. Possession. Possession of the District Property shall be delivered to City upon the Close of Escrow, subject only to the District Property Permitted Exceptions. Possession of the City Property shall be delivered to District upon the Close of Escrow, subject only to the City Property Permitted Exceptions.

12. Brokerage Commissions. Each Party warrants and represents to the other that no broker, finder, or other intermediary hired or employed by it is entitled to a commission, finder’s fee, or other compensation based upon the transaction contemplated hereby and each Party shall indemnify and hold harmless the other Party from and against any and all claims, liabilities, losses, damages, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, court costs

and litigation expenses) caused by or arising out of the claim of any broker, finder, or other intermediary alleging to have been employed or hired by such Party to a commission, finder's fee, or other compensation based upon the transaction contemplated hereby. The obligations of District and City pursuant to this Section 12 shall survive beyond the Close of Escrow or if the Escrow is cancelled, beyond any termination of this Agreement.

13. Miscellaneous.

13.1. Notices. All notices or other communications between District and City required or permitted hereunder shall be in writing and personally delivered or sent by certified mail, return receipt requested and postage prepaid, sent by reputable overnight courier (such as Federal Express, UPS, or DHL), or transmitted by electronic facsimile transmission (with electronic confirmation of receipt), to the following addresses:

If to City: City of Coachella
1515 6th Street
Coachella, CA 92236
Attention: City Manager
Telephone No. (760) 398-3502
Fax No. (760) 398-5421

If to District: Imperial Irrigation District
333 East Barioni Boulevard, Bldg. J-1
P.O. Box 937
Imperial, CA 92251
Attention: General Manager
Telephone No.: (760) 339-9477
Fax No.: (760) 339-9392

with copies to:

Imperial Irrigation District
333 East Barioni Boulevard, Bldg. J-1
P.O. Box 937
Imperial, CA 92251
Attention: General Counsel
Telephone No.: (760) 339-9477
Fax No.: (760) 339-9392

Imperial Irrigation District
1699 West Main Suite, F
El Centro, CA 92243
P.O. Box 937
Imperial, CA 92251
Attention: Supervisor, Real Estate
Telephone No.: (760) 339-9239
Fax No.: (760) 482-3510

A notice shall be effective on the date of personal delivery if personally delivered before 5:00 p.m. or otherwise on the day following personal delivery, or when received, if transmitted by electronic facsimile transmission (with electronic confirmation of receipt), or two (2) business days following the date the notice is postmarked, if mailed, or on the day following delivery to the applicable overnight courier, if sent by overnight courier. Either Party may change the address to which notices are to be given to it by giving notice of such change of address in the manner set forth above for giving notice.

13.2. Time of the Essence. Time is of the essence for this Agreement and each and every term and provision hereof.

13.3. Interpretation; Governing Law. This Agreement shall be construed as if prepared by both Parties. This Agreement shall be construed, interpreted and governed by the laws of the State of California and the laws of the United States of America prevailing in California.

13.4. Severability. In the event that any phrase, clause, sentence, paragraph, section, article, or other portion of this Agreement shall become illegal, null or void, or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void, or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the full extent permissible by law.

13.5. Performance of Acts on Business Days. Unless specifically stated to the contrary, all references to days herein shall be deemed to refer to calendar days. In the event that the final date for payment of any amount or performance of any act hereunder falls on a Saturday, Sunday, or holiday, such payment may be made or act performed on the next succeeding business day.

13.6. Attorneys' Fees. In the event of any legal action or other proceeding between the Parties regarding this Agreement, any of the documents attached hereto as exhibits, the District Property or the City Property (an "**Action**"), the prevailing Party shall be entitled to the payment by the losing Party of its reasonable attorneys' fees, court costs, and litigation expenses, as determined by the court.

13.7. Post-Judgment Attorneys' Fees. The prevailing Party in any Action shall be entitled, in addition to and separately from the amounts recoverable under Section 13.6, to the payment by the losing Party of the prevailing Party's reasonable attorneys' fees, court costs, and litigation expenses incurred in connection with (a) any appellate review of the judgment rendered in such Action or of any other ruling in such Action, and (b) any proceeding to enforce a judgment in such Action. It is the intent of the Parties that the provisions of this Section 13.7 be distinct and severable from the other rights of the parties under this Agreement, shall survive the entry of judgment in any Action and shall not be merged into such judgment.

13.8. Further Assurances; Survival. Each Party will, whenever and as often as it shall be requested to do so by the other Party, execute, acknowledge and deliver, or cause to be executed, acknowledged, and delivered, any and all such further conveyances, assignments, approvals, consents, and any and all other documents and do any and all other acts as may be necessary to carry out the intent and purpose of this Agreement.

13.9. Entire Agreement; Amendments. This Agreement, together with the other written agreements referred to herein, is intended by the Parties to be the final expression of their agreement with respect to the subject matter hereof, and is intended as the complete and exclusive statement of the terms of the agreement between the Parties. As such, this Agreement supersedes any prior understandings between the Parties, whether oral or written. Any amendments to this Agreement shall be in writing and shall be signed by all Parties hereto.

13.10. No Waiver. A waiver by either Party hereto of a breach of any of the covenants or agreements hereof to be performed by the other Party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

13.11. Assignment. Neither Party hereto shall assign its rights under this Agreement without the prior written consent of the other Party, which consent may be given or withheld in such Party's sole discretion.

13.12. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, representatives, successors, and permitted assigns.

13.13. Headings; Cross-References; Exhibits. The headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand or limit the terms of this Agreement. All cross-references in this Agreement, unless specifically directed to another agreement or document, shall refer to provisions in this Agreement and shall not be deemed to be references to any other agreements or documents. Each of the exhibits attached to this Agreement is hereby incorporated into this Agreement by this reference.

13.14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

13.15. Special Condition. Notwithstanding any other term or provision to the contrary set forth in this Agreement, in no event shall this Agreement be interpreted to require a transfer of real property by either party unless the District Property and the City Property are deemed suitable for transfer by both Parties, and are actually transferred to the other Party under the terms of this Agreement at the Close of Escrow.

13.16. Incorporation of Recitals. The Recitals are hereby incorporated into this Agreement as if fully and completely rewritten.

13.17. List of Exhibits. The following exhibits are hereby incorporated by reference and are made a part of this Agreement.

- | | |
|-----------|--|
| Exhibit A | Legal Description of District Property |
| Exhibit B | Legal Description of City Property |
| Exhibit C | District Grant Deed |

Exhibit D City Grant Deed

Exhibit E Non-Foreign Transferor Declaration

[Signatures Included on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date set forth opposite their respective signatures below.

CITY:

CITY OF COACHELLA, a public body,
corporate and politic

By: _____

Name: _____

Title: _____

Attest

By: _____
City Clerk

DISTRICT:

IMPERIAL IRRIGATION DISTRICT, a
California irrigation district organized under the
California Irrigation District Law, codified as
California Water Code Section 20500. *et seq.*

By: _____

Name: _____

Title: _____

Attest

By: _____
Secretary to the Board

ACCEPTANCE BY ESCROW HOLDER

Escrow Holder hereby acknowledges receipt of this fully executed Agreement on the _____ day of _____, 20____, and accepts the escrow instructions set forth herein.

ESCROW HOLDER:

FIDELITY NATIONAL TITLE COMPANY

By:_____

Name:_____

Title:_____

EXHIBIT "A"

Legal Description of District Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COACHELLA, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 9 OF COACHELLA LAND AND WATER COMPANY'S SUBDIVISION OF SECTION 5, TOWNSHIP 6 SOUTH, RANGE 8 EAST, S.B.B. & M., IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BOUNDED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID LOT 9 (INTERSECTION OF ROAD CENTER LINE) AND RUNNING THENCE SOUTH 53° 56' WEST ALONG THE NORTHWESTERLY LINE OF SAID LOT 9, 545.32 FEET; THENCE SOUTH 36° 41' EAST 233.47 FEET; THENCE NORTH 89° 56' EAST 303.71 FEET TO THE EAST LINE OF SAID LOT 9; THENCE NORTH 0° 3' EAST 510 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM AND RESERVING UNTO THE GRANTOR HEREIN, AN EASEMENT AND RIGHT OF WAY IN THE NAME OF IMPERIAL IRRIGATION DISTRICT CONSISTING OF A STRIP OF LAND THIRTY (30) FEET IN WIDTH, THE CENTER OF WHICH IS THE CENTERLINE OF THE EXISTING TRANSMISSION AND DISTRIBUTION LINES AS NOW CONSTRUCTED WITHIN SAID LOT 9.

THE PURPOSE OF SAID EASEMENT AND RIGHT OF WAY IS FOR THE TRANSMISSION AND/OR DISTRIBUTION OF ENERGY AND/OR COMMUNICATIONS WHETHER OVERHEAD AND/OR UNDERGROUND AND APPURTENANCES THERETO, AS THEY MAY NOW EXIST OR AS THEY MAY HEREAFTER BE CONSTRUCTED, ENLARGED, MODIFIED OR RELOCATED; AND UNOBSTRUCTED PEDESTRIAN AND VEHICULAR INGRESS, EGRESS AND ACCESS THERETO TO FACILITATE THE PURPOSES OF SAID EASEMENT. ANY EXISTING OR PRIOR USE OF SAID EASEMENT AND RIGHT OF WAY SHALL NOT DETERMINE OR LIMIT THE EXTENT OF SAID EASEMENT AND RIGHT OF WAY GRANTED HEREIN. GRANTEE HAS THE RIGHT TO REQUIRE THE EASEMENT BE KEPT CLEAR FROM EXPLOSIVES, BUILDINGS, STRUCTURES, AND MATERIALS THAT GRANTEE CONSIDERS INCOMPATIBLE FOR WHICH THIS EASEMENT IS GRANTED, INCLUDING THE RIGHT TO KEEP THE RIGHT OF WAY FREE FROM BRUSH, WOOD GROWTH OR OBSTRUCTIONS WHICH MIGHT INTERFERE WITH USE OF THE EASEMENT OR BE DEEMED A HAZARD.

EXHIBIT “B”

Legal Description of City Property

1. Fee title interest in and to the following real property:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COACHELLA IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 23 OF PARCEL MAP NO. 25095, IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 165, PAGES 37 THROUGH 39 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 763-131-002

2. A Public Utility Right of Way in and over the following real property:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COACHELLA IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE EASTERLY 30 FEET OF PARCEL 1 OF PARCEL MAP 16541, IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 89, PAGES 12 AND 13 OF PARCEL MAPS, RIVERSIDE COUNTY RECORDS.

APN: 763-131-001

EXHIBIT "C"

District Grant Deed (Sample)

Recording Requested By
Imperial Irrigation District

And When Recorded Mail To:

City of Coachella
Attn: City Clerk
1515 6th Street
Coachella, CA 92236

Space Above This Line For Recorder's Use

APN: 778-120-001-6

Grant Deed

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, IMPERIAL IRRIGATION DISTRICT, a California Irrigation District ("**Grantor**"), hereby GRANTS to THE CITY OF COACHELLA, a public body, corporate and politic ("**Grantee**"), that certain real property in the City of Coachella, County of Riverside, State of California, which is more particularly described on Exhibit "1" attached hereto (the "**Property**"), subject to: (i) all matters of record or that an accurate survey would disclose; and (ii) the reservation of rights and easements incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Deed to be executed as of the _____ day of _____, 20__.

IMPERIAL IRRIGATION DISTRICT

President

Secretary

NOTARY PUBLIC ACKNOWLEDGEMENT TO BE ATTACHED

CERTIFICATE OF ACCEPTANCE TO BE ATTACHED

Exhibit A to Exhibit C

Legal Description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COACHELLA, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 9 OF COACHELLA LAND AND WATER COMPANY'S SUBDIVISION OF SECTION 5, TOWNSHIP 6 SOUTH, RANGE 8 EAST, S.B.B. & M., IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BOUNDED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID LOT 9 (INTERSECTION OF ROAD CENTER LINE) AND RUNNING THENCE SOUTH 53° 56' WEST ALONG THE NORTHWESTERLY LINE OF SAID LOT 9, 545.32 FEET; THENCE SOUTH 36° 41' EAST 233.47 FEET; THENCE NORTH 89° 56' EAST 303.71 FEET TO THE EAST LINE OF SAID LOT 9; THENCE NORTH 0° 3' EAST 510 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM AND RESERVING UNTO THE GRANTOR HEREIN, AN EASEMENT AND RIGHT OF WAY IN THE NAME OF IMPERIAL IRRIGATION DISTRICT CONSISTING OF A STRIP OF LAND THIRTY (30) FEET IN WIDTH, THE CENTER OF WHICH IS THE CENTERLINE OF THE EXISTING TRANSMISSION AND DISTRIBUTION LINES AS NOW CONSTRUCTED WITHIN SAID LOT 9.

THE PURPOSE OF SAID EASEMENT AND RIGHT OF WAY IS FOR THE TRANSMISSION AND/OR DISTRIBUTION OF ENERGY AND/OR COMMUNICATIONS WHETHER OVERHEAD AND/OR UNDERGROUND AND APPURTENANCES THERETO, AS THEY MAY NOW EXIST OR AS THEY MAY HEREAFTER BE CONSTRUCTED, ENLARGED, MODIFIED OR RELOCATED; AND UNOBSTRUCTED PEDESTRIAN AND VEHICULAR INGRESS, EGRESS AND ACCESS THERETO TO FACILITATE THE PURPOSES OF SAID EASEMENT. ANY EXISTING OR PRIOR USE OF SAID EASEMENT AND RIGHT OF WAY SHALL NOT DETERMINE OR LIMIT THE EXTENT OF SAID EASEMENT AND RIGHT OF WAY GRANTED HEREIN. GRANTEE HAS THE RIGHT TO REQUIRE THE EASEMENT BE KEPT CLEAR FROM EXPLOSIVES, BUILDINGS, STRUCTURES, AND MATERIALS THAT GRANTEE CONSIDERS INCOMPATIBLE FOR WHICH THIS EASEMENT IS GRANTED, INCLUDING THE RIGHT TO KEEP THE RIGHT OF WAY FREE FROM BRUSH, WOOD GROWTH OR OBSTRUCTIONS WHICH MIGHT INTERFERE WITH USE OF THE EASEMENT OR BE DEEMED A HAZARD.

APN: 778-120-001-6

EXHIBIT "D"

City Grant Deed (Sample)

Recording Requested By:
City of Coachella

And When Recorded Mail To:

Imperial Irrigation District
Attn: Real Estate Section
P.O. Box 937
Imperial, CA 92251

Space Above This Line For
Recorder's Use

Parcel No. 763-131-002 & 763-131-001

Grant Deed

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, THE CITY OF COACHELLA, a public body, corporate and politic ("**Grantor**"), hereby GRANTS to IMPERIAL IRRIGATION DISTRICT, a California Irrigation District ("**Grantee**"), the following real property parcel, and a right-of-way easement interest in land, in the City of Coachella, County of Riverside, State of California:

Legal Description attached hereto as Exhibit "A" and made a part hereof.

CITY OF COACHELLA

Gabriel Martin, City Manager

NOTARY PUBLIC ACKNOWLEDGEMENT TO BE ATTACHED

CERTIFICATE OF ACCEPTANCE TO BE ATTACHED

Exhibit A to Exhibit D

Legal Description of City Property

3. Fee title interest in and to the following real property:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COACHELLA IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 23 OF PARCEL MAP NO. 25095, IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 165, PAGES 37 THROUGH 39 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 763-131-002

4. A Public Utility Right of Way in and over the following real property:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF COACHELLA IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THE EASTERLY 30 FEET OF PARCEL 1 OF PARCEL MAP 16541, IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 89, PAGES 12 AND 13 OF PARCEL MAPS, RIVERSIDE COUNTY RECORDS.

APN: 763-131-001

Non-Foreign Transferor Declaration

TRANSFEROR'S CERTIFICATION OF NON-FOREIGN STATUS

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the Property and not the disregarded entity. To inform _____ (“**Transferee**”), the transferee of that certain real property described in Schedule “1” attached hereto and incorporated herein by this reference, that withholding of tax is not required upon the disposition of the above-referenced real property by _____, a public City (“**Transferor**”), the undersigned hereby certifies the following on behalf of the Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, foreign estate or foreign person (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder); and
2. Transferor’s taxpayer identification number is: _____; and
3. Transferor’s address is: _____.

The Transferor understands that this Certification may be disclosed to the Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

The Transferor understands that the Transferee is relying on this Certification in determining whether withholding is required upon said transfer.

Under penalty of perjury I declare that I have examined this Certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of the Transferor.

Dated: _____, 20__

“TRANSFEROR”

By: _____
Name: _____
Title: _____