

**AGREEMENT FOR THE PURCHASE AND SALE
OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS**

This Purchase and Sale Agreement and Joint Escrow Instructions ("Agreement") is entered into as of October 10, 2014 ("Effective Date"), by and between the Successor Agency To The Former Redevelopment Agency of the City of Reedley, a California public body, corporate and politic, ("Seller") and the Kings Canyon Unified School District, a California public school district ("Buyer") pursuant to the following recitals. Buyer and Seller are also individually referred to as "Party" and collectively as the "Parties".

RECITALS:

A. WHEREAS, Seller is the fee owner of certain real property consisting of approximately 1.68 acres of land within the City of Reedley. Said property is identified by Assessor Parcel No. 368-010-85T & Assessor Parcel No. 368-010-35T and is generally located on the northwesterly corner of H Street and 10th Street, in the County of Fresno, State of California, and is depicted on Exhibit "A" attached hereto.

B. WHEREAS, Seller as a successor agency is required to prepare long-range property management plan to address the disposition and use of the real property of the former Reedley Redevelopment Agency, which has been approved by the State of California, pursuant to Health and Safety Code Section 34191.5(b); and

C. WHEREAS, Seller wishes to dispose of said property; and

D. WHEREAS, Seller has no intended public or private use of the subject property, and the sale of the property is in the public interest; and

E. WHEREAS, Buyer desires to acquire the property for the primary purpose of developing a public institutional facility; and

F. WHEREAS, Buyer and Seller have agreed to the Buyer's purchase of the real property by means of this Agreement and the recordation of a grant deed.

NOW THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I
PURCHASE AND SALE

1.1 The Property. Seller agrees to sell and convey to Buyer, and Buyer agrees to purchase and acquire from Seller, subject to the terms and conditions set forth herein, that certain real property consisting of approximately 1.68 acres, Assessor Parcel No. 368-010-85T & Assessor Parcel No. 368-010-35T, as more particularly depicted in Exhibit A attached hereto, along with all

easements, licenses, and interests appurtenant thereto, and all entitlements, owned or held by Seller in connection therewith (collectively, the "Property").

1.2 Purchase Price. The total purchase price to be paid by Buyer for the Property shall be One Dollar (\$1.00) (the "Purchase Price"). Buyer shall deposit the Purchase Price into Escrow prior to Close of Escrow as set forth in this Agreement.

1.3 Deposit. Concurrently with the opening of escrow, Buyer shall deposit the sum of \$100.00 into Escrow, which may be applied towards the Purchase Price or other costs associated with the above described sale of the real property. The deposit shall be nonrefundable if Close of Escrow does not occur for any reason related to a Buyer termination under this Agreement, or due to a failure of a Buyer condition herein, and to the extent that this Agreement requires any funds to be refunded to Buyer, any amount so refunded shall not include the Independent Consideration; provided, however, that the deposit shall be refunded to Buyer from Seller, as part of Buyer's damages, in the event of a Seller default under this Agreement.

ARTICLE II

SELLER'S REPRESENTATIONS AND WARRANTIES

2.1 Seller's Representations and Warranties. Seller covenants, represents and warrants the following:

(a) Upon approval of this Agreement by the Successor Agency to the Former Redevelopment Agency of the City of Reedley, Board of Directors, Seller has the full right and authority to enter into this Agreement and consummate the transactions contemplated herein, to deliver to Buyer fee simple title to the Property (subject to any title exceptions permitted under Article V below), and any person signing this Agreement on behalf of Seller is authorized to do so.

(b) Seller owns the Property, free and clear of all liens, licenses, claims, encumbrances, easements, encroachments on the Property from adjacent properties, and any rights of way, other than those disclosed by the public record; Seller has no knowledge of any pending litigation involving the Property; Seller has no knowledge of any violations of, or notices of judicial order concerning the Property; and Seller has no actual knowledge of the presence of any Hazardous Materials Condition in the soil and/or water on, under, or around the Property. Seller acknowledges that the City of Reedley issued a Notice of Substandard Conditions dated June 4, 2006, attached as Exhibit 'B', for the sole structure at 1801 10th Street (APN 368-010-35T) commonly known as the 'Granger Building' following the results of a Structural Observation report dated October 25, 2005, attached as Exhibit 'C', in which a Structural Engineer deemed the structure unsafe because of the deteriorated state of the unreinforced brick walls. No material testing occurred during the visual structural observation. Further, the Seller has conducted no recent tests, studies or surveys which would disclose to Seller the presence of any Hazardous Materials Condition and, therefore, the fact that Seller has no actual knowledge concerning any Hazardous Materials Condition is not a representation that such do not exist in the soil and/or water on, under or around the Property.

(c) If Seller becomes aware of any act or circumstance which would change or render incorrect, in whole or in part, any representation or warranty made by Seller hereunder, whether as of the Effective Date or any time thereafter through the Close of Escrow, Seller shall give immediate written notice of such changed fact or circumstance to Buyer, and Buyer may elect, within ten (10) days after the delivery of such notice by Seller, to either (i) terminate this Agreement or (ii) proceed with closing. If Buyer elects to proceed with closing after receipt of Seller's notice, Seller shall have no obligation or liability to Buyer with respect the matters disclosed by Seller.

2.2 Seller Disclaimer Regarding Physical Condition of Property and Applicable Laws and Regulations.

(a) Except for the representations and warranties expressed in Section 2.1, Seller makes no representation or warranty whatsoever as to any aspect of the Property, including without limitation: (i) the physical condition of the Property, (ii) soils, seismic, hydrological, geological and topographical conditions and configurations, (iii) water supplies available to the Property, (iv) the value or profitability of the Property or its fitness for Buyer's intended use, (v) the presence or absence of any endangered plant, animal and insect species, or (vi) any utilities available to the Property.

(b) Buyer acknowledges and agrees that (i) Buyer shall make its own independent examination and evaluation of the Property being purchased, and shall not rely upon Seller, its agents or representatives, or any other persons for any data with respect to the Property; (ii) Buyer shall acquire the Property on the basis of its own investigation of the physical and environmental condition of the Property; and (v) Buyer shall acquire the Property in an "AS IS" condition, and assumes the risks that adverse physical conditions may not have been revealed by its investigation.

(c) Seller makes no representation or warranty whatsoever as to operative or proposed governmental laws or regulations, including, but not limited to, zoning, environmental, and land and water use laws and regulations, to which the Property may be subject. Buyer acknowledges and agrees that it shall acquire the Property on the basis of its own review and investigation of the applicability and effect of such laws and regulations, and that Buyer assumes the risks that adverse matters may not have been revealed by its investigation.

ARTICLE III
BUYER'S REPRESENTATIONS AND WARRANTIES

3.1 Buyer's Representations and Warranties. Buyer covenants, represents and warrants the following:

(a) Upon approval of this Agreement by the Buyer, subject to the conditions precedent set forth in Article IV, Buyer has the full right, power, and authority to enter into this Agreement and perform Buyer's obligations hereunder. This Agreement and all other documents delivered by Buyer to Seller now or at the Close of Escrow, have been or will be duly executed and

delivered by Buyer and are legal, valid, and binding obligations of Buyer, are enforceable in accordance with their respective terms, and do not violate any provision of any agreement to which Buyer is a party.

3.2 Release and Indemnity. Buyer waives, releases, remises, acquits and forever discharges Seller and its successors, directors, officers, employees, agents and volunteers of and from any and all suits, causes of action, legal or administrative proceedings, claims, demands, actual damages, punitive damages, losses, costs, liabilities, interest, attorneys' fees and expenses of whatever kind and nature, in law or in equity, known or unknown, which Buyer ever had, now has, hereafter can, shall or may have or acquire or possess or arising out of or in any way connected with directed or indirectly out of, or in any way connected with, based upon, arising out of the condition, status, quality, nature, contamination or environmental state of the Property. It is the intention of this Agreement that any and all responsibilities and obligations of Seller and its successors, directors, officers, employees, agents and volunteers to Buyer, and any and all rights or claims of Buyer, its successors and assigns and affiliated entities, as against Seller and its successors, directors, officers, employees, agents and volunteers arising by virtue of the physical or environmental condition of the Property are by this release provision declared null and void and of no present or future effect as to such parties. Buyer waives the benefit of California Civil Code Section 1542, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Buyer shall indemnify, defend and hold harmless Seller and its successors, directors, officers, employees, agents and volunteers from any and all suits, causes of action, legal or administrative proceedings, claims, demands, actual damages, punitive damages, losses, costs, liabilities, interest, attorneys' fees and expenses of whatever kind and nature (hereinafter collectively "**Claims**"), including those for injury to person or property, arising out of or relating in any way to the Property, any Hazardous Materials Condition, or any remediation relating thereto, except for such Claims arising out the alleged fraud, misrepresentation, misconduct, or gross negligence of Seller or its employees, members, officers, agents, or representatives. For the purpose of this Agreement, a "Hazardous Materials Condition" is defined as the existence on, under, or in the vicinity of the Property of any substance or material that would require investigation, assessment, remediation and/or removal under applicable federal, state or local.

ARTICLE IV

CONDITIONS PRECEDENT

4.1 Buyer's Preliminary Conditions of Closing (Due Diligence Period). In addition to any other conditions of Buyer's obligations in this Agreement, Buyer shall have thirty days (30) calendar days after the Opening of Escrow (the "Due Diligence Period"), in which to either approve or waive, in writing, the conditions to purchase described below (collectively the "Buyer Conditions").

- (a) Any covenants, conditions, or restrictions that affect the Property;
- (b) Any soils reports, including hazardous waste reports, and engineering data and maps that pertain to the Property or any portion thereof;
- (c) The feasibility and suitability of the Property for Buyer's intended use;

(d) Following the Opening of Escrow, Buyer, its agents, contractors and subcontractors shall have the right to enter upon the Property at any reasonable time to make such inspections, surveys and tests of the Property as may be necessary or desirable in Buyer's judgment. Buyer shall use care and consideration in connection with any such inspection and testing and shall indemnify and hold Seller harmless from any and all claims, damages, costs (including without limitation reasonable attorneys' fees), losses and expenses arising out of or resulting from such entry and/or activities upon the Property; provided, however, this agreement of indemnification does not extend to any damage Seller may suffer by reason of the presence or discovery of hazardous waste on the Property (including any perceived or actual loss of value of the Property), nor does it indemnify Seller from any liability as a consequence of the presence or discovery of hazardous waste on the Property. Additionally, Buyer shall restore the Property to its condition before such inspection; and

(e) As a result of Buyer's inspection pursuant to Section 4.1(d) herein, Buyer intends to satisfy itself that the Property is not in violation of any federal, state, or local law, ordinance, or regulation relating to Hazardous Materials, industrial hygiene, or to the environmental conditions on, under, or about the Property, or any portion thereof, including, but not limited to, soil and groundwater conditions ("Environmental Laws"). If, at any time prior to the expiration of the Due Diligence Period, Buyer determines that the Property, or any portion thereof, is in violation of said Environmental Laws, Buyer may elect to terminate this Agreement and cancel the Escrow by delivering written notice to that effect to Seller and Escrow Holder. The term "Hazardous Materials" when used in this Agreement shall mean any hazardous waste, hazardous substance, hazardous materials or toxic substances as defined, as of the Close of Escrow, in any federal, state, or local statute, ordinance, rule, or regulation applicable to the Property; and any substance defined as "hazardous waste" in Health and Safety Code section 25117 or as a "hazardous substance" in Health and Safety Code section 25316, and in the regulations adopted and publications promulgated under these laws. "Hazardous Materials" shall also include asbestos or asbestos-containing materials, radon gas, and petroleum or petroleum fractions, whether or not defined as a hazardous waste or hazardous substance in any such statute, ordinance, rule, or regulation as of the Closing Date.

If Buyer timely disapproves any such item, then Seller may elect to eliminate or ameliorate such item, as Buyer shall have so disapproved on or before fifteen (15) days following receipt of Buyer's disapproval notice. If, within such fifteen (15) day period, Seller notifies Buyer that Seller is unwilling or unable to eliminate or ameliorate such disapproved item, then Buyer shall have the right, by a writing delivered to Seller and Escrow Holder on or before ten (10) days following receipt of Seller's notice, to (i) waive its prior disapproval, in which event such disapproved item

shall be deemed approved, or (ii) terminate this Agreement and the Escrow, in which event the Escrow shall be deemed canceled and neither Party shall have any further rights or obligations hereunder. Buyer's failure to provide a written notice waiving its prior disapproval shall be deemed and result in termination of this Agreement and the Escrow. If Escrow is terminated or cancelled under this provision, Seller shall pay any Escrow cancellation charges.

4.2 Approval by Successor Agency To The Former Redevelopment Agency of the City of Reedley. The Close of Escrow shall be conditioned upon approval of this Agreement by the Successor Agency to the Former Redevelopment Agency of the City of Reedley, acting on behalf of the Redevelopment Agency of the City of Reedley, prior to the expiration of the Due Diligence Period.

4.3 Buyer's Final Condition of Closing. Buyer's obligation to purchase the Property from Seller shall be conditioned upon Seller having performed all of Seller's obligations in this Agreement, and upon the Escrow Holder being unconditionally prepared to issue the title policy, ensuring that title to the Property is vested in Buyer, subject only to the Permitted Exceptions.

4.4 Seller's Condition of Closing. Seller's obligation to sell the Property to Buyer shall be conditioned upon (i) Buyer having performed all of its obligations in this Agreement including, without limitation, Buyer having deposited the Purchase Price in immediately available funds with Escrow Holder before the Close of Escrow.

4.5 Miscellaneous. The obligation of Buyer and 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. Buyer and Seller each agree that they will, in good faith, endeavor to remove all said contingencies and conditions that are within the control of the respective Party.

ARTICLE V **ESCROW PROVISIONS**

5.1 Escrow, Escrow Holder, Opening of Escrow, and Deposit. Within five (5) business days after the full execution of this Agreement, or, on or before October 1, 2014, Seller shall open an escrow to facilitate the transaction contemplated by this Agreement ("Escrow") with Placer Title Company ("Escrow Holder"), 7643 North Ingram, Suite 101, Fresno, California 93711, Attn: Darryl Evans. For purposes of this Agreement, delivery by Buyer to Escrow of a fully executed copy of this Agreement shall constitute the opening of Escrow ("Opening of Escrow").

5.2 Escrow Instructions. This Agreement shall constitute escrow instructions to Escrow Holder. The Parties agree to execute such additional escrow instructions consistent with the provisions of this Agreement that are mutually acceptable to Seller and Buyer or that may be required by Escrow Holder. Without limiting the effect of the foregoing, Seller and Buyer shall be bound by Escrow Holder's General Conditions.

5.3 Close of Escrow. The Close of Escrow shall occur within thirty (30) calendar days after the Opening of Escrow. The Close of Escrow shall be deemed to be the date on which the

Grant Deed is recorded in the Official Records of Fresno County, California. The Parties anticipate Close of Escrow occurring no later than thirty days (30) calendar days after the Opening of Escrow. The Close of Escrow date may be extended by written mutual agreement of the Parties.

5.4 Preliminary and Supplemental Title Reports. Within ten (10) days following the Opening of Escrow, Escrow Holder shall prepare and provide Buyer with a preliminary title report with respect to the Property ("Preliminary Report") together with copies of the instruments underlying all exceptions that are referred to in the Preliminary Report (collectively, the "Title Documents"). Buyer shall be entitled to review and approve the Title Documents during the Due Diligence Period. The failure of Buyer to disapprove any such item by writing delivered to Seller and Escrow Holder on or before the expiration of the Due Diligence Period shall be conclusively deemed approval thereof by Buyer. Seller has no obligation to remove any exception to title disapproved by Buyer. Notwithstanding the foregoing, Buyer is not required to give notice of its disapproval of any debts, liens to secure debts, delinquent taxes, assessment installments due as of the closing date, or other financing or monetary encumbrances upon the Property, it being expressly understood and agreed that all such items are disapproved and must be removed from title at no cost to Buyer.

5.5 Condition of Title. All matters contained in the Title Documents that are approved or deemed approved by Buyer at the expiration of the Due Diligence Period, shall be deemed "Permitted Exceptions." Seller shall convey the Property to Buyer in fee simple title, subject to matters of record and matters that may be determined by an ALTA survey, provided that the Property shall be free and clear of any deeds of trust, mechanic liens, mortgages, or delinquent taxes or charges related to Seller's activities or ownership of the Property.

5.6 Escrow Closing Costs. The costs associated with this transaction shall be paid as follows:

(a) Buyer shall pay the cost of obtaining a standard form CLTA (California Land Title Association) title insurance policy covering the Property for the Purchase Price ("Title Policy") issued by the Escrow Holder as the "Title Insurer."

(b) The Escrow Holder's fees shall be split equally between Buyer and Seller. All other standard closing costs and pro rations will be divided between the parties pursuant to local custom in Fresno County. Buyer shall pay all broker fees and commissions related to its use of a real estate agent, if any.

(c) Seller, as a public agency, is not obligated to pay property taxes.

(d) Buyer, as a public school district, is not obligated to pay property taxes.

5.7 Obligations of Buyer. Subject to the conditions precedent and in addition to performance by Buyer of all obligations of Buyer contained in this Agreement, on or before one (1) business day prior to Close of Escrow, Buyer shall have deposited with Escrow Holder, in

immediately available funds, an amount equal to the Purchase Price plus all other amounts Buyer is responsible for under this Agreement and as defined in Section 5.6.

5.8 Obligations of Seller. In addition to fulfilling any other obligations of Seller contained in this Agreement, on or before one (1) business day prior to Close of Escrow, Seller shall deposit into Escrow: (i) a Grant Deed on Escrow Holder's standard form transferring fee simple title to the Property duly executed by Seller in recordable form (the "Grant Deed"); (ii) all sums, including, but not limited to, sums necessary to cancel or pay taxes, special taxes, fees, charges, assessments, and other sums necessary to deliver free and clear title, if any; and (iii) documents reasonably required of Seller by Escrow Holder to carry out Close of Escrow.

5.9 Pro Forma Title Report & Estimated Closing Statement. The Escrow Holder shall prepare a "Pro Forma Title Report" at least five (5) days before the Close of Escrow and shall deliver the same to Buyer for Buyer's approval before the Close of Escrow. The Escrow Holder shall deliver an estimate of closing costs no later than five (5) days before to the Close of Escrow.

5.10 Conditions Precedent to Close of Escrow. Seller's obligation to convey the Property and Buyer's obligation to purchase the Property is subject to the satisfaction (or written waiver by the benefiting Party) of the following conditions precedent:

- (a) Title Insurer is prepared to issue the policy of title insurance described
- (b) Escrow has not been canceled and/or the Agreement has not been terminated;
- (c) Buyer shall fulfill the obligations of Section 5.7 of this Agreement; and
- (d) Seller shall fulfill the obligations of Section 5.8 of this Agreement.

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5.11 Title Policy. Escrow Holder shall deliver to Buyer, through Escrow, a 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 Insurer and dated as of Close of Escrow.

5.12 Execution of Other Documents; Compliance with Regulations. The Parties hereto will do such other things and will execute 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.

5.13 Escrow Cancellation Charges. In the event that Escrow shall fail to close because of the default of either Party, the defaulting Party shall be liable for all Escrow cancellation charges. In the event that Close of Escrow fails to occur for any other reason, Buyer and Seller shall each be responsible for and shall pay one-half of all Escrow cancellation charges unless specified otherwise in the Agreement.

5.14 Escrow Holder's Duties on the Close of Escrow. At the Close of Escrow, Escrow Holder shall:

A. Ascertain any proration of taxes or assessments due for general and special taxes and for special assessments. Upon ascertainment of any such amount, require Seller to deposit such amounts or deduct from the amount due for the Purchase Price the equivalent for such proration of taxes or proration of assessments.

B. To the extent there is any special assessment on the Property, Escrow Holder shall notify Buyer of its proportionate share due with regard to any such assessment district before the time of the Close of Escrow.

C. Prepare any preliminary or change of ownership statements as required by law with respect to the Close of Escrow.

D. Deliver the policy of title insurance to Buyer as described in this Agreement at the Close of Escrow.

E. At the Close of Escrow, deliver to Seller the remaining sum due, less escrow costs and any adjustments, if applicable, as described in subsections 5.14 A and B of this Agreement and less amounts, as necessary, to remove liens and encumbrances as provided herein.

F. Perform such other duties as, in the opinion of Escrow Holder, are necessary to carry out the terms and provisions of this Agreement.

5.15 Recording of Documents and Delivery of Funds and Documents. Upon receipt of the funds and instruments described in this Article V, and upon the satisfaction or waiver of the conditions precedent to Close of Escrow referred to in this Article V, Escrow Holder shall first 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 Fresno, California, and then immediately disburse to Seller the Purchase Price less any fees owed by Seller under this Agreement. Upon Close of Escrow, Escrow Holder shall deliver the original recorded Grant Deed and Buyer's policy of title insurance to Buyer, and shall deliver conformed copies of the Grant Deed and all other appropriate documents to Buyer and Seller.

ARTICLE VI

MISCELLANEOUS PROVISIONS

6.1 Time and Computation of Time. Time is of the essence of this Agreement and each and all of its provisions. The parties agree that the time for performance of any action permitted or required under this Agreement shall be computed as if such action were "an act provided by law" within the meaning of California Civil Code Section 10, which provides: "The time in which any act provided by law to be done is computed by excluding the first day and including the last, unless the last day is a holiday, and then it is also excluded."

6.2 Effect of Headings. The subject headings of the paragraphs and subparagraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

6.3 Entire Agreement; Amendment. This Agreement, together with the Exhibits referenced and incorporated herein, constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supercedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all of the parties hereto.

6.4 Counterparts and Facsimile Signatures. This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original instrument, all of which together shall constitute one and the same instrument. Facsimile and electronic signature pages shall constitute originals and shall be binding.

6.5 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, assigns, and successors of the parties hereto.

6.6 Broker's Commission. Each party warrants and represents to the other that no brokers have been retained or consulted in connection with this transaction. Each party agrees to defend, indemnify, and hold harmless the other party from any claims, expenses, costs, or liabilities arising in connection with a breach of that party's representations, warranties, or covenants under this Agreement.

6.7 Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Venue for any action to enforce or interpret this Agreement shall be proper only in Fresno County, California.

6.8 Parties in Interest. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies on any persons other than the parties hereto and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subrogation or action over and against any party to this Agreement.

6.9 Notices. All notices and other communications required under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by telecopier with confirmation of successful transmission, provided the original is concurrently sent by first class mail, and provided that notices received by telecopier after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service, or (iv) on the third day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

To Seller: Successor Agency to the Former Redevelopment Agency of the City of Reedley
1717 Ninth Street
Reedley, California 937654
Attn: Nicole R. Zieba, City Manager
Phone: (559) 637-4200
Fax: (559) 637-2139

To Buyer: Kings Canyon Unified School District
Attn: Juan Garza, Superintendent
1502 I Street
Reedley, CA 93654
Phone: (559) 305-7010
Fax: (559) 637-1292

To Escrow Holder: Placer Title Company
7643 N. Ingram, Suite 101
Fresno, California 93711
Attn: Darryl Evans, Senior Escrow Officer
Phone: (559) 261-2910, ext. 109
Fax: (916) 782-0982
Email: devans@placertitle.com

A party may change its address for notices by providing notice to the other parties as provided above.

6.10 Agreement Survives Close of Escrow. All obligations referred to or required to be performed at a time or times after the Close of Escrow, whether specifically referred to as surviving the Close of Escrow or not, and all representation and warranties contained herein which are intended to bind the parties after vesting of title in Buyer shall survive the Close of Escrow.

6.11 Severability. If any provision of this Agreement is declared invalid, void, illegal or unenforceable, such provision shall be deemed to be severed or deleted from this Agreement and the balance of this Agreement shall remain in full force and effect without being impaired or invalidated in any way.

6.12 Cumulative Rights; Waiver. No failure by either party to exercise, and no delay in exercising any rights, shall be construed or deemed to be a waiver thereof, nor shall any single or partial exercise by either party preclude any other or future exercise thereof or the exercise of any other right. Any waiver of any provision or of any breach of any provision of this Agreement must be in writing, and any waiver by either party of any breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of that provision or of any breach of any other provision of this Agreement.

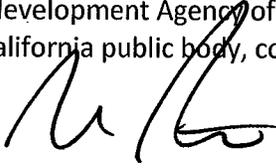
6.13 Further Action. The parties agree to perform all further acts, and to execute, acknowledge, and deliver any documents that may be reasonably necessary, appropriate or desirable to carry out the purposes of this Agreement.

6.14 Ambiguities. This Agreement shall be interpreted as if it had been jointly drafted by both parties. Therefore, the normal rule of construction that ambiguities are construed against the drafter is hereby waived.

WHEREFORE, the parties hereto, by their signatures hereinbelow, enter into this Agreement effective on the date hereinabove inscribed.

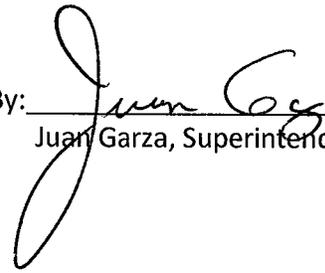
SELLER:

Successor Agency to the Former
Redevelopment Agency of the City of Reedley,
a California public body, corporate and politic

By:  _____
Nicole R. Zieba, City Manager

BUYER:

Kings Canyon Unified School District,
a California public school district

By:  _____
Juan Garza, Superintendent

- Exhibit A Assessor's Map
- Exhibit B Notice of Substandard Conditions dated June 4, 2006
- Exhibit C Structural Observation Report dated October 25, 2005

EXHIBIT A

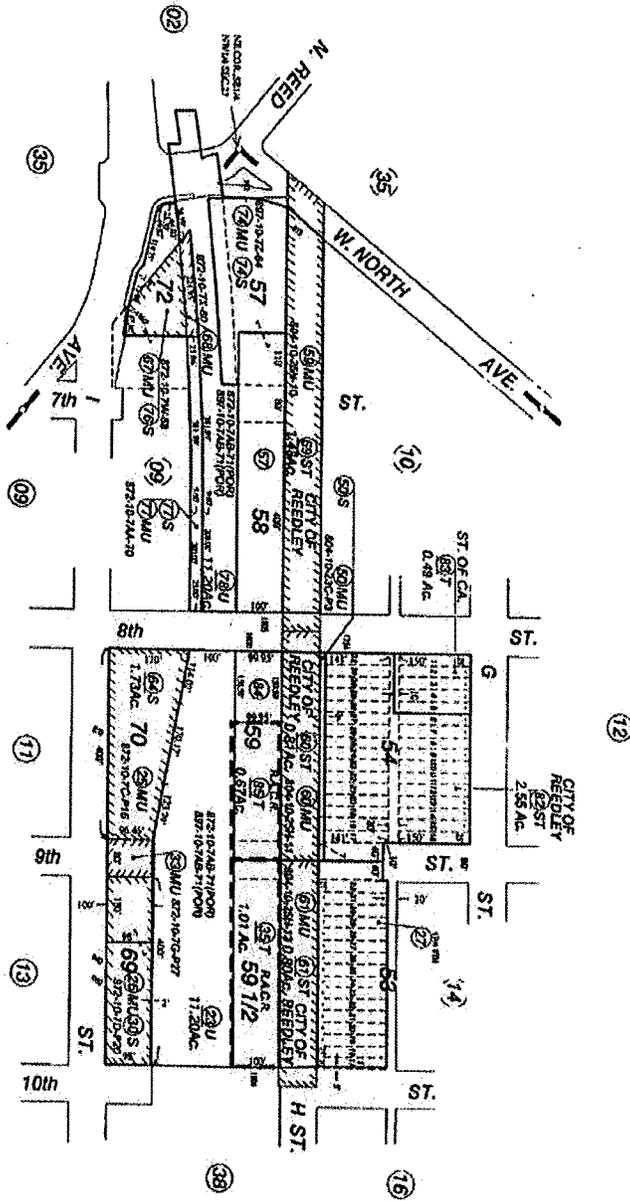
... NOTE ...
 This map is for Assessment purposes only.
 It is not to be construed as asserting
 legal ownership or evidence of title for
 purposes of zoning or subdivision law.

SUBDIVIDED LAND IN P.O.R. SEC. 27, T. 15S., R. 23E. M.D. B. & M.

Tax Rate Area
 4-43

368-01

1"-200'



Reedley, Town of - Plat Bk. 5, Pg. 6

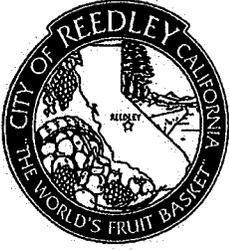
NOTE - Assessor's Block Numbers Shown in English
 Assessor's Parcel Numbers Shown in Cycles.

Assessor's Map Bk. 368 - Pg. 01

County of Fresno, Calif.

JUN 9 1 2011

05-14-2011 SH



City of Reedley

Community Development Department
1733 Ninth Street
Reedley, CA 93654
(559) 637-4200
FAX 637-2139

SUBSTANDARD CONDITIONS

Date: June 4, 2006
Owner: City of Reedley
Address: 1801 10th Street, Reedley, CA 93654

On 10/25/05 an inspection was conducted at 1801 10th Street. The inspection was conducted because of observations of structural problems and to identify any violations of the Reedley Municipal Code and/or California Building Codes for reasons of health, life and safety.

SUMMARY OF THE INSPECTION:

1. The bearing wall system of unreinforced brick walls is in an advanced state of deterioration.
2. The brick pilasters that support the roof have cracks and can not support the roof adequately.
3. A structural engineering report is attached.

Due to the conditions listed above, the building and property are considered to be substandard. The building shall not be occupied until all violations are corrected and any required permits are obtained.

Should you have any questions regarding this notice, please call (559) 637-4200, ext. 225.

Sincerely,

John Karlie, CBO
Building Official

EXHIBIT C

STRUCTCON
CONSULTING STRUCTURAL ENGINEERS

STEVE STOLL, S.E.

1700 FULTON
FRESNO, CA 93721-1623
TEL. (559) 268-7887
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Rocky D. Rodgers
Director of Public Works
1733 Ninth Street
Reedley, CA 93654

October 25, 2005
Project No. 20-0539

STRUCTURAL OBSERVATION

RE: Structural observation of Grainger Building, Reedley, California.

Location: 1801 10th Street
Reedley, CA 93654

On October 21, 2005 a visual structural observation took place for the Grainger Building. No material testing occurred.

The bearing wall system consisted of multi-wythe unreinforced brick walls and pilasters. The roof system consisted of wood trusses.

Photos 1 through 6 show the exterior of the structure. The unreinforced brick walls and pilasters are deteriorated. During the observation this manifested itself in two different ways. First the mortar joints and bricks would crumble if rubbed. Second, as seen in the attached photographs, the unreinforced brick walls and pilasters have cracks. These cracks are most prevalent at the brick pilasters, that support the roof trusses, and at the brick wall that spans openings in the wall, known as lintels. These areas are portions of the wall that higher stresses occur due to vertical loads.

Photos 7 through 9 show the interior of the structure. These photographs show that the cracks in the unreinforced brick walls and pilasters occur throughout the entire width of the wall. The wood trusses were also observed. They seem to be in good condition although the observation for them was done from the ground in a poorly lighted building.

In conclusion because of the deteriorated state of the unreinforced brick walls the structure is deemed to be unsafe.

Sincerely

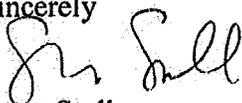

Steve Stoll
Structural Engineer



EXHIBIT C
GRAINGER BUILDING
REEDLEY, CALIFORNIA

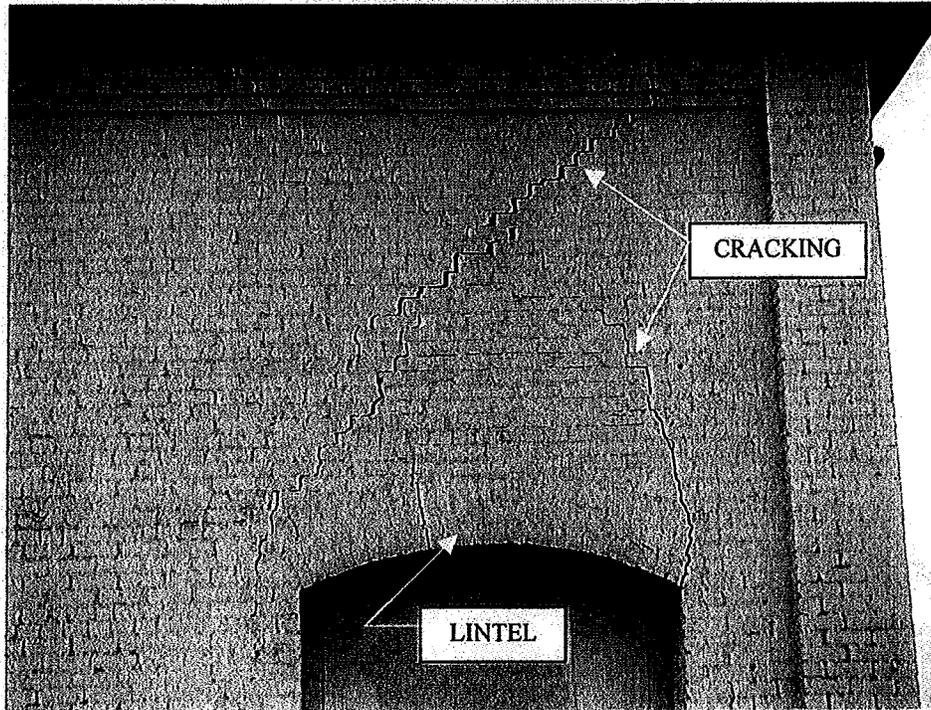


PHOTO 1
BUILDING EXTERIOR

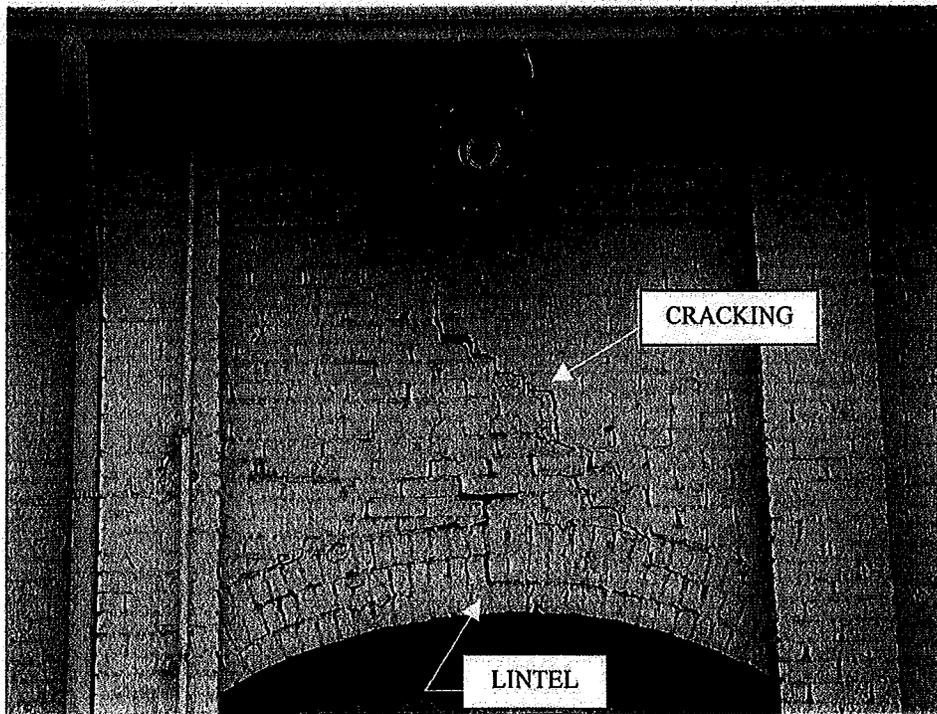


PHOTO 2
BUILDING EXTERIOR

EXHIBIT C
GRAINGER BUILDING
REEDLEY, CALIFORNIA

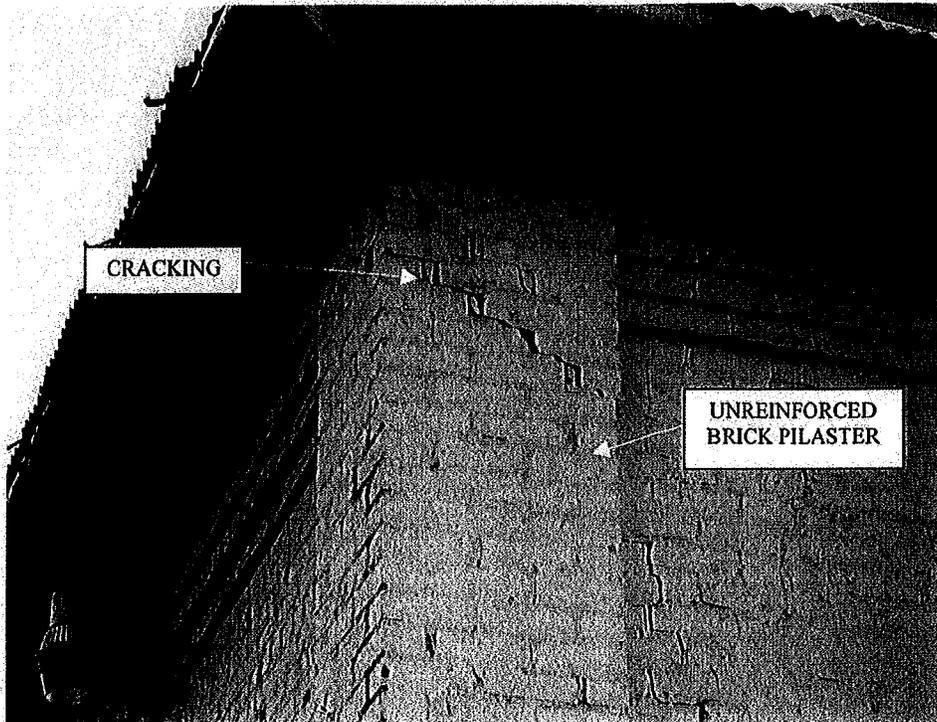


PHOTO 3
BUILDING EXTERIOR

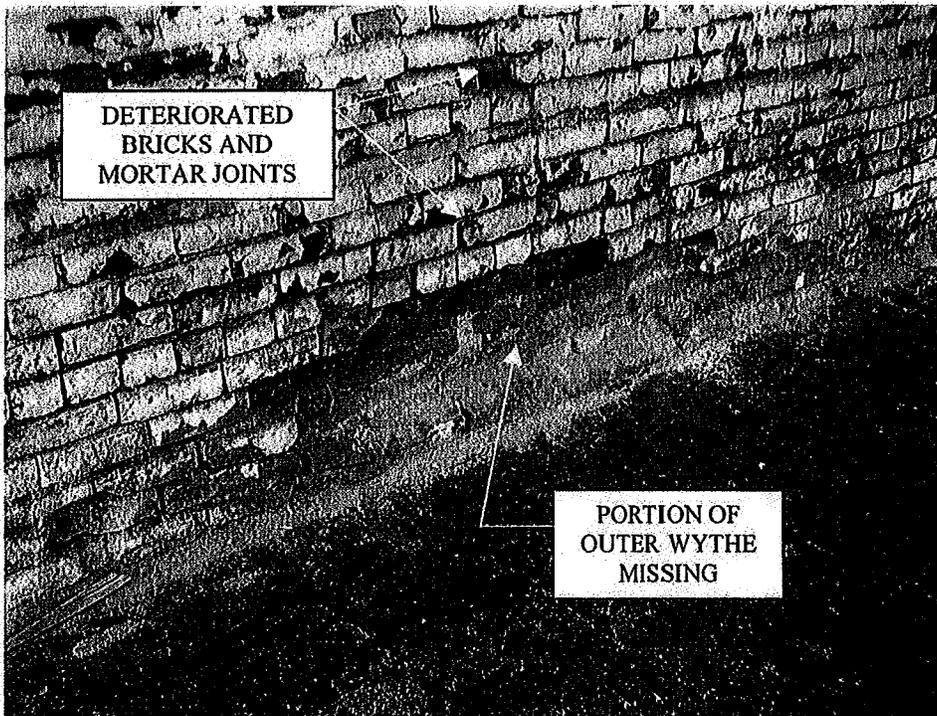


PHOTO 4
BUILDING EXTERIOR

EXHIBIT C
GRAINGER BUILDING
REEDLEY, CALIFORNIA

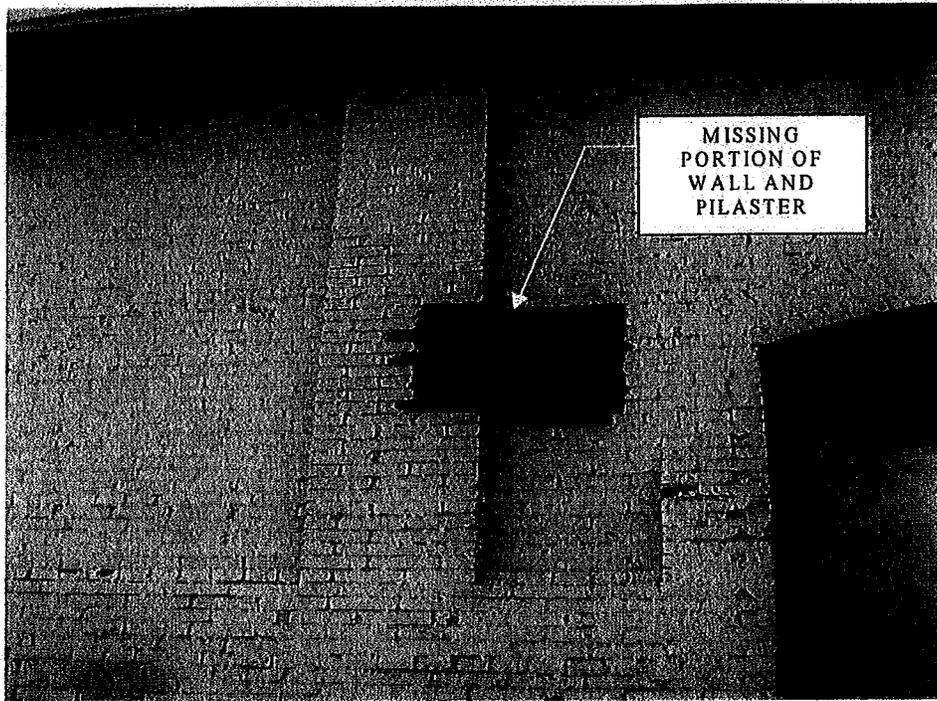


PHOTO 5
BUILDING EXTERIOR

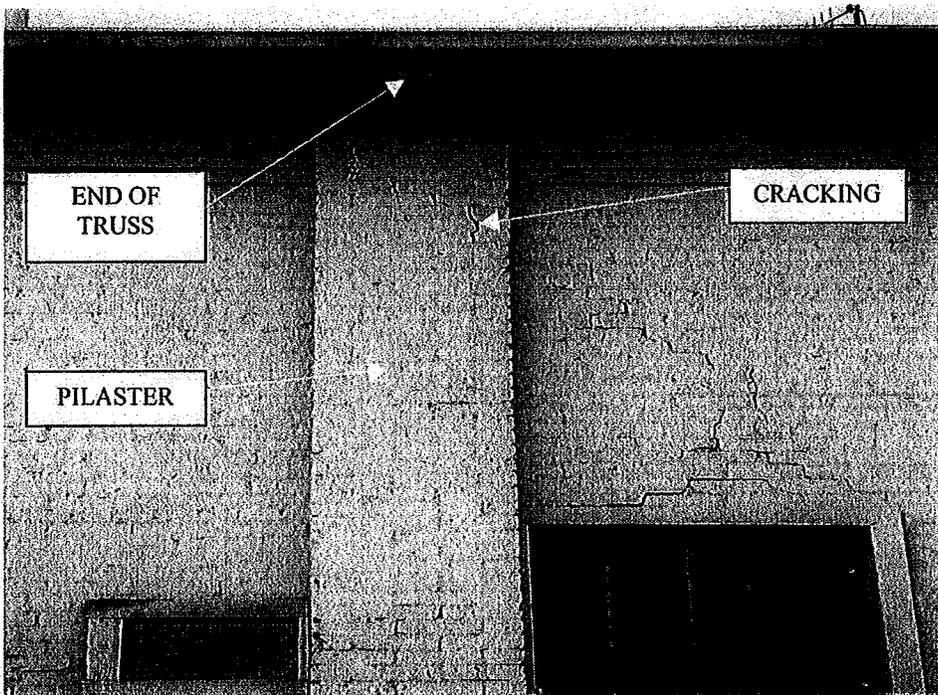


PHOTO 6
BUILDING EXTERIOR

EXHIBIT C
GRAINGER BUILDING
REEDLEY, CALIFORNIA

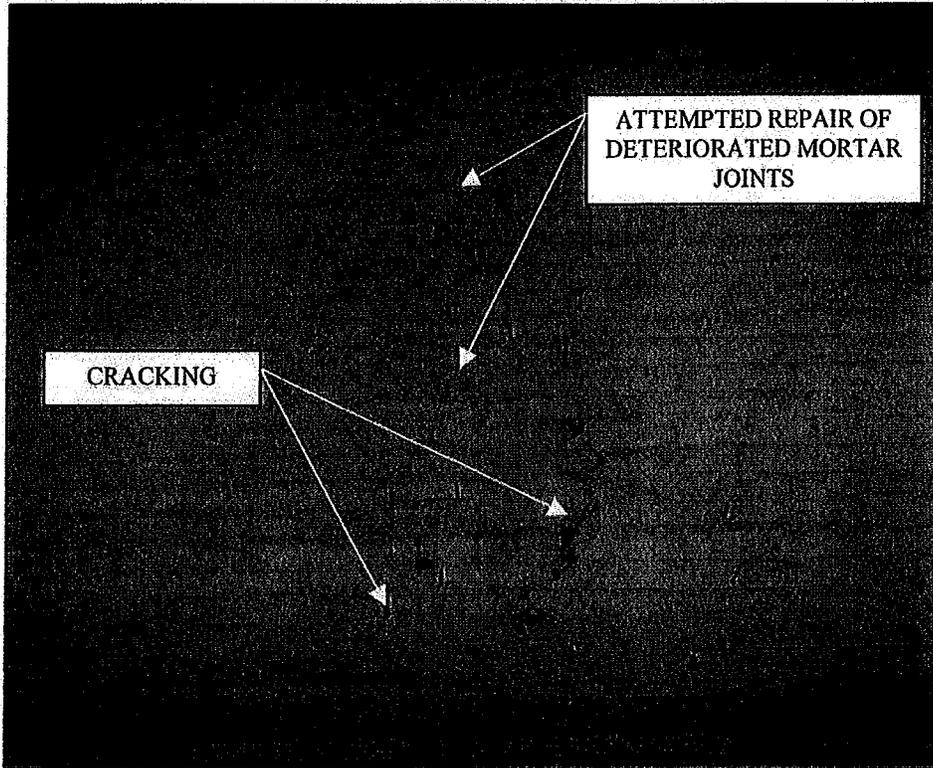


PHOTO 7
BUILDING INTERIOR

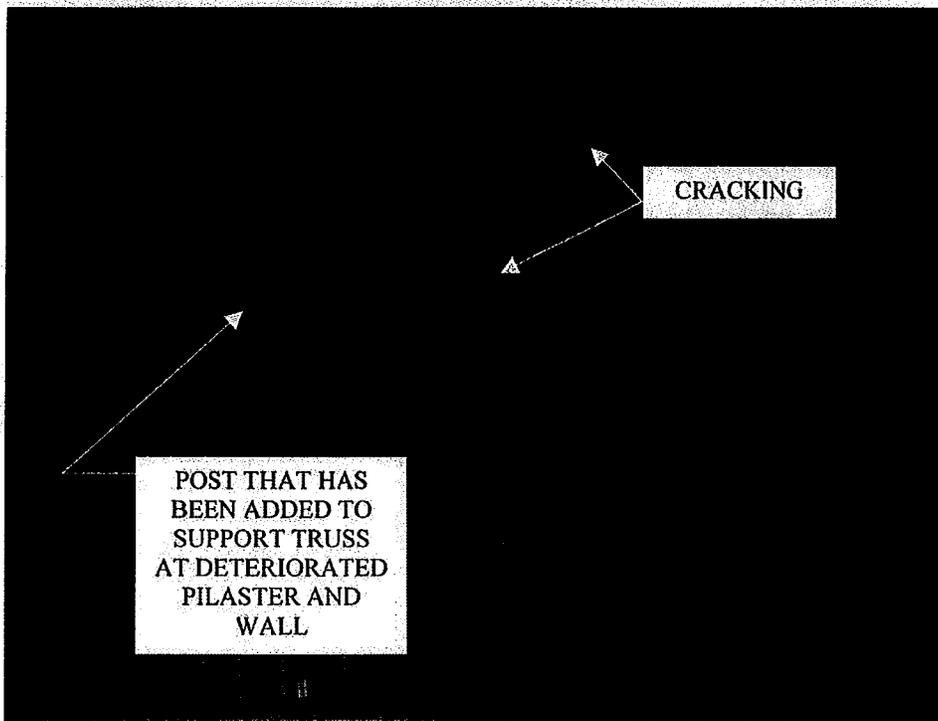


PHOTO 8
BUILDING INTERIOR

EXHIBIT C
GRAINGER BUILDING
REEDLEY, CALIFORNIA

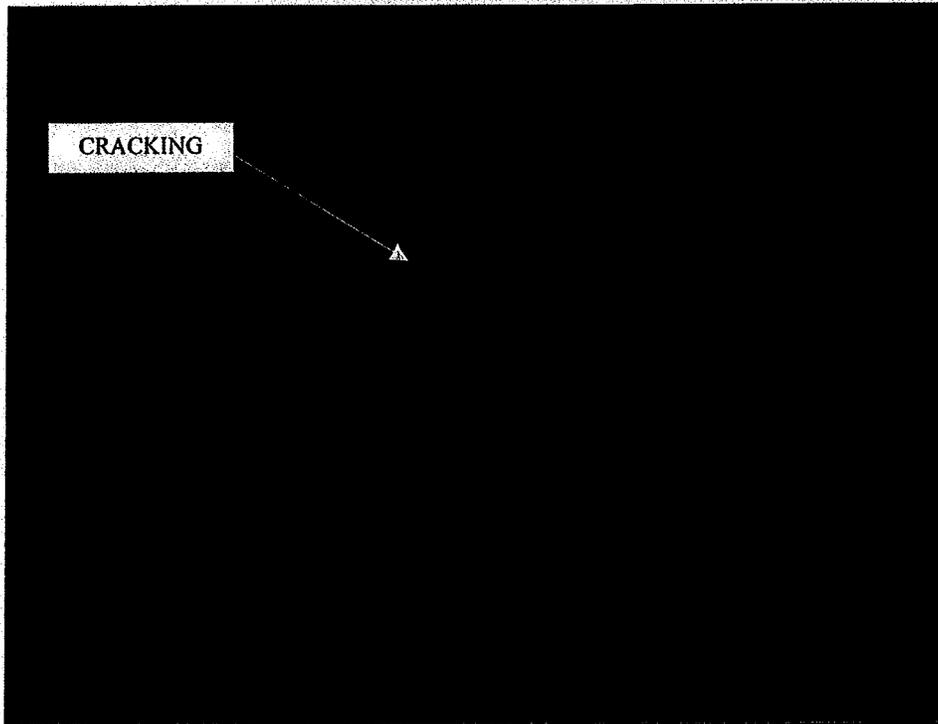


PHOTO 9
BUILDING INTERIOR