

**PURCHASE AND SALE AGREEMENT
AND
JOINT ESCROW INSTRUCTIONS**

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "Agreement") is dated and made effective as of the _____ day of _____, 2018 ("Effective Date"), by and between the Housing Authority of the City of Desert Hot Springs, a public body formed under the Health and Safety Code ("Seller"), and Richard M. Johnson, Jr., as Trustee of the Richard M. Johnson, Jr. Attorney at Law 401(K) Profit Sharing Trust ("Buyer"). Buyer and Seller are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Seller owns in fee simple vacant real property located on the northeast corner of West Drive and Ironwood Drive, City of Desert Hot Springs, California, identified as Assessor's Parcel Number 641-191-008 (the "Property"), with the real property more particularly described in Exhibit "A," attached hereto and incorporated herein by this reference; and

WHEREAS, as valued by NAI Capital in a Broker's Opinion of Value, dated May 30, 2018, the fair market value of the Property does not exceed the Purchase Price (as defined in Section 2 below); and

WHEREAS, Buyer desires to acquire the Property to develop the Property for housing purposes (the "Project") in accordance with Buyer's plans and specifications for the Project, if any; and

WHEREAS, Seller now desires to sell to Buyer and Buyer desires to purchase from Seller, the Property, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, the Parties do hereby agree as follows:

AGREEMENT

1. Purchase and Sale. Seller agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Seller, for the Purchase Price, as defined in Section 2 below, upon the terms and conditions set forth in this Agreement.

2. Purchase Price and Financing Terms. The purchase price of the Property (the "Purchase Price"), shall be Twelve Thousand Five Hundred Dollars and No Cents (\$12,500.00). Buyer shall purchase the Property entirely in cash or cash equivalent. Buyer shall not obtain any financing for purchase of the Property.

3. Deposit. Buyer shall make a cash deposit ("Deposit") in the amount of One Thousand Dollars and No Cents (\$1,000.00) upon Opening of Escrow (as defined in Section 7.1 hereinbelow) into an interest bearing account with interest to accrue to Buyer, except in the event of a Buyer's breach of this Agreement prior to Close of Escrow. The Deposit is irrevocable, non-refundable to Buyer, and will be retained by Seller as liquidated damages in the event of a default by Buyer. The Deposit (including any interest as may have been earned thereon) will be applied to the Purchase Price due at Close of Escrow.

4. Title and Title Insurance. Seller shall convey by grant deed, good and marketable fee simple title to the Property to Buyer at the Close of Escrow (as defined in Section 7.2 below), free of any monetary encumbrances affecting the condition of title except as otherwise expressly permitted in Section 5.2 below. A condition to the Close of Escrow is Buyer's ability to secure an Owner's CLTA Standard Coverage Policy of Title Insurance (the "Title Policy") for the Property, showing title vested in Buyer in the condition required by this Agreement. The Title Policy amount shall equal the Purchase Price. The Title Policy shall be issued by Orange Coast Title Company (the "Title Company").

5. Buyer's Conditions Precedent. Buyer's obligation to perform under this Agreement and to purchase the Property shall be subject to the satisfaction or waiver of the conditions set forth in Section 4 as well as all of the conditions precedent in subsections 5.1 through 5.5, inclusive, described below, which are solely for the benefit of Buyer unless otherwise expressly stated elsewhere in this Agreement. In the event any of the said conditions are not satisfied within the time limits specified therein, Buyer may, at its sole option and discretion, either waive such conditions or terminate this Agreement.

5.1 Preliminary Title Report. Seller shall obtain at its cost and provide to Buyer a preliminary title report for the Property within thirty (30) calendar days after the Effective Date (the "Preliminary Report"), together with complete and legible copies of all instruments referred to in the Preliminary Report as conditions or exceptions to title. In the event that Buyer, within ten (10) business days following receipt of the Preliminary Report, objects in writing to any monetary exceptions or exceptions which have a material effect on the use and/or value of the Property, which exceptions are disclosed therein, Seller shall be obligated to cause the removal of said exceptions on or before the Close of Escrow. In the event Seller agrees to but is unable to cause any such title discrepancy to be removed on or before the Close of Escrow, Buyer shall have the right to terminate this Agreement. Any termination authorized by this section shall be effected via a written notice from Buyer to Seller specifying the date of termination and the reasons therefor.

5.2 Approval of Title to the Property. Title to the Property shall be in the condition required by this Agreement as of Close of Escrow. At Close of Escrow, the Title Policy issued shall show as exceptions only the following: (i) the standard printed exceptions set forth in the Title Policy; (ii) general and special real property

taxes and assessments, if any, for the current fiscal year, a lien not yet due and payable; (iii) recorded conditions, covenants and restrictions affecting the Property; and (iv) recorded covenants and easements.

5.3 Due Diligence Review. Within thirty (30) calendar days after the Opening of Escrow, as defined in Section 7.1 below, at its own expense, Buyer may, at its option, obtain data and conduct surveys, tests or appraisals, or otherwise inspect the Property and the suitability of the Property, including suitability of the Property for the Project, if any, including, without limitation, the environmental, geotechnical and physical, zoning and land use aspects thereof ("Due Diligence Review"). Buyer may obtain a Phase I environmental report necessitated by any preliminary environmental report at its sole expense. Any Phase II report ordered that is necessitated by the results of the Phase I report will be procured at Seller's expense. Buyer and its agents, employees, contractors and consultants shall be afforded reasonable access and entry onto the Property to conduct such studies, tests, appraisals, investigations and inspections as are reasonably necessary to complete the Due Diligence Review. Any reports and documents generated from any inspection or investigation shall be provided to Seller by no later than five (5) business days following receipt of such reports and documents by Buyer. The foregoing notwithstanding, Buyer shall request such access and entry from Seller in writing at least forty-eight (48) hours in advance, exclusive of Fridays, weekends and holidays. Said request of Buyer shall outline in detail the particular activity to be conducted by Buyer upon the Property. All such studies, tests, appraisals, investigations and inspections shall occur at Buyer's sole cost and expense and shall be performed in a manner not unreasonably disruptive to the possession, use, occupancy and/or operation of the Property by Seller or the general public, as the case may be. Buyer shall repair any and all damage to the Property caused by its studies, tests, appraisals, investigations and inspections and shall indemnify and hold Seller harmless from any claim, liability, loss or expense including, without limitation, reasonable attorney fees and disbursements, asserted against Seller or the Property arising out of or relating in any way to Buyer's entry thereon.

5.3.1 Buyer shall in its sole and absolute discretion approve or disapprove in writing the results of any inspections, studies and reports conducted in Section 5.3 herein within five (5) business days after providing such studies and reports to Seller. The absence of any notice of such approval or disapproval shall be deemed approval by Buyer. If Buyer for any reason disapproves the condition of the Property as set forth above, Buyer may terminate this Agreement by written notice to Seller; provided, however, that if Seller, at its option, agrees in writing to remediate all deficiencies in the Property to Buyer's satisfaction, such termination shall be ineffective. In such event, Seller shall be required to perform the remediation of the Property prior to and as Buyer's condition to Closing, and, all expenses of such remediation shall be borne by Seller, or in the alternative, credited to Buyer at Closing.

5.3.2 By no later than ten (10) business days after the Effective Date, Seller shall provide to Buyer or make available to Buyer for inspection, all materials specified below that are in Seller's possession or control ("Due Diligence

Materials"). If Seller thereafter discovers any additional items that should have been included among the Due Diligence Materials, Seller shall promptly deliver them to Buyer. The Due Diligence Materials shall include: (a) copies of any existing and proposed easements, covenants, restrictions, agreements, or other documents that, to Seller's knowledge, affect title to, or Seller's possession and/or use of, the Property that are not disclosed in the Preliminary Report; (b) all reports, plats or plans that, to Seller's knowledge, relate to the Property; (c) notice of any existing or threatened litigation that, to Seller's knowledge, affects or relates to the Property and copies of any pleadings with respect to that litigation; (d) all environmental assessment reports with respect to the Property that, to Seller's knowledge, were performed during the five (5) years preceding the Effective Date or that are currently being performed by or for Seller; and (e) any current preliminary title insurance report that, to Seller's knowledge, relates to the Property.

5.3.3 Buyer, at Buyer's expense and as part of its Due Diligence Review, may cause the Property to be surveyed by a licensed surveyor and obtain an ALTA survey of the Property reflecting the boundaries of the Property, the location of all improvements, recorded easements, encroachments, utility locations and monuments, if any, located thereon, and all building and set back lines and other matters of record with respect thereto.

5.4 No Default. Seller shall not be in default in any of its obligations under the terms of this Agreement and all representations and warranties of Seller contained herein shall be true and correct in all material respects.

5.5 No Litigation. No litigation shall be pending or threatened which seeks to enjoin the transactions contemplated by this Agreement or to obtain damages in connection therewith.

6. Seller's Conditions Precedent. Seller's obligation to perform under this Agreement and to sell the Property shall be subject to the satisfaction or waiver of the conditions precedent set forth in Sections 6.1 through 6.3, inclusive, described below, which are solely for the benefit of Seller unless otherwise expressly stated elsewhere in this Agreement. In the event any of the said conditions are not satisfied within the time limits specified therein, Seller may, at its sole option and discretion, either waive such conditions or terminate this Agreement.

6.1 Payment of Funds. Buyer shall have paid the Purchase Price and all required costs of Closing into Escrow.

6.2 No Litigation. No litigation shall be pending or threatened which seeks to enjoin the transactions contemplated by this Agreement or to obtain damages in connection therewith.

6.3 No Default. Buyer shall not be in default in any of its obligations under the terms of this Agreement and all representations and warranties of Buyer contained herein shall be true and correct in all material respects.

7. Escrow. The purchase and sale of the Property shall be completed through Orange Coast Title Company in its offices located in Ontario, California, or another escrow company or location as reasonably determined by Seller ("Escrow" or "Escrow Agent").

7.1. Opening. Within five (5) business days of the Effective Date, Seller shall deposit with Escrow Agent, one fully executed Agreement, which shall constitute the Escrow instructions (the "Escrow Instructions"). The date of delivery to Escrow Agent of such fully executed Agreement shall be deemed the opening of escrow ("Opening of Escrow"), and Escrow Agent shall notify Buyer and Seller in writing of the Opening of Escrow date and its acceptance of the Escrow Instructions. The Parties hereby acknowledge that any and all instruments the Escrow Agent shall reasonably request shall be deposited into Escrow in order to carry out the purpose and intent of this Agreement.

7.2. Closing. Escrow shall close, as evidenced by the recordation of a grant deed (the "Grant Deed"), in substantially the same form as that attached hereto as Exhibit "B," and incorporated herein by this reference, in the Official Records of Riverside County, California, on or before five (5) calendar days from the expiration of the Due Diligence Review period (the "Close of Escrow" or "Closing"), it being understood that the Parties may extend the Closing to a date as mutually agreed upon in writing. The Parties agree that the Close of Escrow may occur sooner than the date or dates referenced above, provided the Parties are in a position to complete the purchase and sale of the Property as contemplated in this Agreement and the Parties agree to the same in writing. On or before the Close of Escrow, the Escrow Agent shall record the Grant Deed and any other instruments required to be recorded, and shall deliver to the Parties the funds and documents to which they shall be respectively entitled, together with its escrow statement; provided that the Escrow Agent shall then have on hand all funds and documents necessary to complete the transaction, and provided that the Title Company has stated that it shall be in a position to and will issue and deliver, upon recording of the Grant Deed, the title insurance required hereunder.

7.3 Closing Costs. Closing fees and costs, including all escrow fees, shall be paid by Buyer and Seller equally. Any transfer taxes shall be paid by Seller. Escrow Agent shall notify Buyer and Seller of the costs to be borne by the Parties no later than thirty (30) calendar days after Opening of Escrow. In the event of Buyer's material default under this Agreement, Buyer shall pay escrow cancellation fees, if any. In the event of Seller's material default under this Agreement, Seller shall pay escrow cancellation fees, if any. The total amounts needed at Closing may include, but shall not be limited to, the Purchase Price, any sums toward title fees, escrow fees, property taxes, inspection costs, transfer taxes, assessments, utilities, prepaid service contracts, recording fees, and any other costs or fees necessary for the Closing.

7.4 Additional Documents. Buyer and Seller shall execute such additional escrow instructions or other documents as Escrow Agent may reasonably require to cause the Close of Escrow, but in no event shall said additional escrow instructions or other documents increase the rights of one party against the other party hereto or modify the terms and conditions of this Agreement.

7.5 Possession. Seller shall deliver possession of the Property to Buyer immediately following the Close of Escrow.

7.6 Delivery of Documents and Funds. Seller shall deliver the Grant Deed and any additional documents required from Seller by Escrow Agent to Escrow Agent by no later than two (2) business days prior to the Close of Escrow. Buyer shall deliver the Purchase Price and any additional funds required to close Escrow to Escrow Agent at least twenty-four hours prior to the Close of Escrow.

8. Buyer's Acknowledgements and CEQA Indemnity.

8.1 Buyer's Acknowledgements. Buyer hereby understands, agrees and acknowledges that (a) Seller cannot, does not have the capacity nor legal authority to, and is not granting any land use, building or other entitlements as part of the sale of the Property to Buyer; and (b) Buyer is solely responsible for seeking any development and/or building authorizations required by applicable law, including by the laws and regulations of the City of Desert Hot Springs ("City").

8.2 CEQA Indemnity. Buyer shall defend, indemnify and hold harmless Seller, the City, their officers, officials, agents, employees and volunteers (collectively, the "Indemnities") from any claim, action or proceeding against any of the Indemnities to attack, set aside, void or annul approval of this Agreement, and from and against any and all claims, demands, actions, losses, damage, injuries, and liability, direct or indirect (including any and all costs, expenses and attorneys' fees in connection therewith), arising out of any allegation or assertion that Seller is in violation of the California Environmental Quality Act (CEQA).

9. Seller's Representations and Warranties. Seller hereby makes the following representations, warranties, and acknowledgments, and agrees that such representations, warranties and acknowledgments shall be true as of the Close of Escrow and shall survive the Close of Escrow for a period of one (1) year.

9.1 Seller, and the person executing this Agreement on behalf of Seller, has the full right, power and authority to enter into this Agreement and to convey title to the Property to Buyer, and to take all actions required of it by the terms of this Agreement.

9.2 All the documents executed by Seller which are to be delivered to Buyer at or before the Close of Escrow will be duly authorized, executed and delivered

by Seller and will be legal, valid and binding obligations of Seller enforceable against Seller in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principals relating to or limiting the rights of contracting parties generally) and will not violate any provisions of any agreement to which Seller is a party or to which it is subject.

9.3 Seller is the lawful fee simple owner of the Property and all improvements developed thereupon, which, as of the Close of Escrow, will be free and clear of all liens, security agreements, encumbrances, claims, demands, and charges of every kind and nature whatsoever, except as may be expressly permitted in this Agreement. The Property may be subject to certain recorded easements, conditions, covenants and restrictions, which are subject to Buyer's review and approval.

9.4 Prior to the Close of Escrow or the termination of this Agreement by Buyer in accordance with the terms herein, Seller shall not execute any option, lease, escrow instructions, sale contracts, or other agreements or instruments giving any other party any right of ownership, possession, or use of the Property or any part thereof, or further encumber the Property or any part thereof.

9.5 This Agreement has been duly executed by Seller and constitutes the valid and binding agreement of Seller enforceable against Seller in accordance with its terms.

9.6 Until the Close of Escrow, Seller shall maintain the Property and any improvements and landscaping thereon, in the same general condition as exists as of the Effective Date. Seller shall deliver the Property reasonably clean and free of all personal belongings and debris.

10. Buyer's Representations and Warranties. Buyer hereby makes the following representations, warranties and acknowledgments, and agrees that such representations, warranties and acknowledgments shall be true as of the Close of Escrow and shall survive the Close of Escrow.

10.1 Buyer, and the person executing this Agreement on behalf of Buyer, has the full right, power and authority to enter into this Agreement, to purchase the Property from Seller and to take all actions required of it by the terms of this Agreement.

10.2 All the documents executed by Buyer which are to be delivered to Seller or Escrow Agent at the Close of Escrow will be duly authorized, executed, and delivered by Buyer and will be legal, valid, and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principals relating to or limiting the rights of contracting parties generally), and will not

violate any provisions of any agreement to which Buyer is a party or to which it is subject.

10.3 This Agreement has been duly executed by Buyer and constitutes the valid and binding agreement of Buyer enforceable against Buyer in accordance with its terms.

11. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be delivered in person, or sent by certified mail, postage prepaid, or by commercial overnight courier with written verification of receipt or by telecopy. A notice shall be deemed given: (a) when delivered or refused by personal delivery (as evidenced by the receipt); (b) three (3) days after deposit in the mail if sent by certified mail; (c) three (3) days after having been sent by commercial overnight courier as evidenced by the written verification of receipt; or (d) on the date of confirmation if telecopied and transmitted electronically. Notices shall be addressed as set forth below, but any addressee may change its address by written notice in accordance herewith.

Buyer:	Richard M. Johnson, Jr., as Trustee of the Richard M. Johnson, Jr. Attorney at Law 401(K) Profit Sharing Trust 78365 HWY 111, #108 La Quinta, CA 92253 (760) 564-4300
Seller:	Housing Authority of the City of Desert Hot Springs Attn: Charles Maynard, Executive Director 65950 Pierson Boulevard Desert Hot Springs, CA 92240 Telephone: (760) 329-6411 Facsimile: (760) 288-3129 Email: cmaynard@cityofdhs.org
With a copy to:	Quintanilla & Associates Attn: Robert J. Lee, Deputy City Attorney 42222 Rancho Las Palmas Drive, #176 Rancho Mirage, CA, 92270 Telephone: (760) 883-1848 Email: rlee@qalawyers.com

12. Broker's Commission. Except for Maribel Vargas, of Carlton Park Properties, who represents Buyer, and NAI Capital, which represents Seller, there are no agents or brokers involved in the sale of the Property contemplated by this Agreement. All broker's commissions will be paid at Close of Escrow in accordance with the terms of the listing agreement between Seller and its broker and any other arrangements that may affect commission to be paid to Buyer's broker. Buyer and

Seller agree to indemnify and hold the other harmless from and against any and all claims, damage, liability or cost, including without limitation, reasonable attorneys' fees, arising from or in connection with any claims by brokers or any other person, firm, or corporation based upon their having acted as broker or finder for or in connection with this transaction on behalf of the indemnifying party.

13. Mutual Waiver and Release. Upon the Close of Escrow, excepting only those rights and obligations arising under this Agreement, in consideration of the covenants set forth in this Agreement, and for other good and valuable consideration, each Party, on behalf of itself and its successors, assigns and legal representatives, fully, irrevocably and unconditionally releases and discharges the other Party from all actions, causes of action, suits, debts, charges, complaints, claims, liabilities, and expenses, including attorneys' fees, of any nature whatsoever, known or unknown, suspected or unsuspected, which each Party has had, now has, or may have against the other Party, arising from or relating, either directly or indirectly, to Buyer's purchase of the Property from Seller and Seller's sale of the Property to Buyer.

The Parties are aware that facts may be discovered later that are different from and/or in addition to those that the Parties now know or believe to be true concerning the purchase and sale of the Property. The Parties acknowledge that they are familiar with California Civil Code Section 1542, which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR 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."

Upon the Close of Escrow, the Parties expressly waive all rights under Civil Code Section 1542 with respect to the purchase and sale of the Property pursuant to this Agreement or otherwise and intend that the foregoing releases and discharges extend to all claims, including those that would otherwise be excepted by operation of Civil Code 1542 after the Close of Escrow.

14. Termination. This Agreement may be terminated by Seller upon written notice provided to Buyer in the event Close of Escrow does not occur on or before ten (10) days from the expiration of the Due Diligence Review period.

15. City Approvals. Buyer agrees to use reasonable efforts to obtain all City approvals necessary for completion of any Project.

16. General Provisions.

16.1 Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter contained

herein, and supersedes any prior agreement and understanding about the subject matter hereof. This Agreement may only be modified or amended by a written instrument executed by the Parties and deposited with the Escrow Agent.

16.2 Time is of the Essence. Time is of the essence of this Agreement and the Escrow described herein, notwithstanding any provision to the contrary in the Escrow Agent's general Escrow Instructions.

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

16.4 Counterparts and Facsimiles and Electronic Signatures. This Agreement may be executed in any number of counterparts each of which shall be deemed an original and all of which together shall constitute but one and the same instrument. Facsimile and electronic copies of signature pages shall be treated as original signature pages.

16.5 Successors and Assigns. Each covenant and condition contained in this Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective heirs, executors, administrators, personal representatives, successors and assigns.

16.6 Attorneys' Fees; Costs of Litigation. If any legal action or any other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it may be entitled, including the fees and costs incurred in enforcing any judgment which may be obtained in said action.

16.7 Remedies for Default. Failure by a party to perform any term, condition or covenant required of the party under this Agreement shall constitute a "default" of the offending party under this Agreement. Unless otherwise expressly stated elsewhere in this Agreement in which event the terms thereof shall govern, in the event that a default remains uncured for more than ten (10) calendar days following receipt of written notice of default from the other party, or the defaulting party fails to commence to cure, correct or remedy the alleged default within such period, a "breach" shall be deemed to have occurred. Any failure or delay by a party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any rights or remedies associated with a default.

16.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

16.9 Non-Liability of Officials and Employees of Seller. No member, official or employee of the Seller shall be personally liable to Buyer, or any of Buyer's successors-in-interest, in the event of any default or breach by Seller or for any amount which may become due to Buyer or its successors, or on any obligations under the terms of this Agreement.

16.10 Interpretation. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation," when contextually appropriate. This Agreement shall be interpreted as though prepared jointly by the Parties.

16.11 Legal and Other Professional Advice. Each Party represents and warrants to the other Party the following: it has carefully read this Agreement, and in signing this Agreement, it does so with full knowledge of any rights which it may have; it has received independent legal advice from its respective legal counsel as to the matters set forth in this Agreement, or has knowingly chosen not to consult legal counsel regarding such matters; and it has freely signed this Agreement without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Party, or its respective agents, employees or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise.

16.12 Risk of Loss. Risk of loss to the Property shall be borne by Seller until possession of the Property has been delivered to Buyer. If improvements on the Property are destroyed or materially damaged prior to transfer of title through no fault of Buyer, Seller shall cause the immediate repair of said improvements unless Buyer, in its sole discretion, elects in writing to waive such requirement and elects to proceed with the purchase of the Property. Buyer shall notify Seller whether Buyer wishes to proceed with the Property purchase within ten (10) days of receipt of written notice from Seller of such circumstances. In the event that Seller elects not to repair the damaged or destroyed improvements and Buyer declines to complete the Property purchase, Seller shall be relieved of the obligation to sell the damaged or destroyed Property to Buyer as provided herein and the Parties' obligations under this Agreement shall terminate with respect to the damaged or destroyed Property. In the event Property repairs are made, Buyer shall be obligated to close Escrow when the repairs are completed as evidenced by the sign-off of building permits, Certificates of Occupancy or other similar applicable governmental instruments.

16.13 As-Is. Buyer will be acquiring the Property in its as-is condition inclusive of all faults and defects, whether known or unknown, as may exist as of the Close of Escrow, and Buyer expressly assumes the risk that adverse physical, environmental, financial and legal conditions may not be revealed by Buyer's inspection of the Property or review of any of Seller's documents or materials provided to Buyer or otherwise.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above.

SELLER:

Housing Authority of the City of Desert
Hot Springs

BUYER:

Richard M. Johnson, Jr., as Trustee of the
Richard M. Johnson, Jr. Attorney at Law
401(K) Profit Sharing Trust

Charles Maynard, Executive Director

Richard M. Johnson, Jr., Trustee

ATTEST:

Jerryl Soriano, Board Secretary

APPROVED AS TO FORM:

Jennifer Mizrahi, General Counsel

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

The following described real property in the City of Desert Hot Springs, County of Riverside, State of California:

LOT 314 OF DESERT HOT SPRINGS ESTATES, Unit #2, AS PER MAP ON FILE IN THE BOOK 28, PAGES 43 AND 44 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID RIVERSIDE COUNTY.

APN: 641-191-008

Address: West Drive, Desert Hot Springs, CA

EXHIBIT "B"

GRANT DEED

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

Attn: _____

APN(s): 641-191-008

(Space Above this Line Reserved for Use by Recorder)

GRANT DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the HOUSING AUTHORITY OF THE CITY OF DESERT HOT SPRINGS, a public body formed under the Health and Safety Code ("Grantor"), hereby grants to Richard M. Johnson, Jr., as Trustee of the Richard M. Johnson, Jr. Attorney at Law 401(K) Profit Sharing Trust, all of Grantor's right, title and interest in that real property ("Property") described on Exhibit "A," attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed on this _____ day of _____, 2018.

GRANTOR:

HOUSING AUTHORITY OF THE
CITY OF DESERT HOT SPRINGS

NOT FOR SIGNATURE

Charles Maynard, Executive Director

EXHIBIT "A" TO GRANT DEED

LEGAL DESCRIPTION OF PROPERTY

The following described real property in the City of Desert Hot Springs, County of Riverside, State of California:

LOT 314 OF DESERT HOT SPRINGS ESTATES, Unit #2, AS PER MAP ON FILE IN THE BOOK 28, PAGES 43 AND 44 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID RIVERSIDE COUNTY.

APN: 641-191-008
Address: West Drive, Desert Hot Springs, CA

State of California)
)
County of Riverside)

Personally appeared _____
Name(s) of Signer(s)

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

Signature _____

Place Notary Seal Above