

**AGREEMENT OF PURCHASE AND SALE
FOR REAL PROPERTY – UNDEVELOPED LOT**

This Agreement of Purchase and Sale for Real Property – Undeveloped Lot (this “Agreement”) is made as of the ____ day of _____, 20__, by and between Pine Mountain Lake Association, a California nonprofit mutual benefit corporation (“Seller”), and _____ (“Buyer”).

Recitals

A. Whereas, Seller is the owner of certain land located in the City of Groveland, County of Tuolumne, State of California, legally described on Exhibit “A”, attached hereto (the “Land”), together with all improvements thereon and appurtenances thereto, if any (“Improvements”). The Land and Improvements are hereinafter collectively referred to as the “Property.”

B. Whereas, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller, all on the terms and conditions of this Agreement.

Now, therefore, in consideration of the covenants and agreements contained herein, the parties hereto agree as follows:

1. Purchase and Sale.

Seller agrees to sell the Property to Buyer on an “As Is” basis, and Buyer agrees to purchase the Property on an “As Is” condition from Seller, on the terms and conditions hereinafter set forth in this Agreement.

2. Purchase Price.

2.1 Amount and Terms of Payment. The total purchase price of the Property is One Thousand Dollars (\$1,000.00), payable by Buyer to Seller as follows. The sum of Two Thousand Eight Hundred Dollars (\$2,800.00) shall be paid on execution of this contract, as a deposit to be applied to the purchase price and closing costs at the close of escrow. This amount shall be payable by wire or cashier’s check drawn to the order of Yosemite Title Company. The balance of the purchase price shall be paid at the close of escrow.

2.2 Consequences of Buyer Default. If Buyer defaults in the performance of this contract, the deposit described in Paragraph 2.1 shall be forfeited by Buyer as provided in Paragraph 7.2. In the event this contract is terminated for any other reason, the deposit shall be refunded to Buyer.

3. Escrow.

3.1. Opening of Escrow. An escrow shall be opened to consummate the sale of the Property according to the terms of this contract at the office of Yosemite Title Company (the “escrow agent”) at 208 S. Washington Street, Sonoma, California. The escrow shall be opened within five (5) days

after the execution of this contract. Written escrow instructions in accordance with the terms of this contract shall be prepared jointly, and the instructions shall be signed by the parties and delivered to the escrow agent within fifteen (15) days of the execution of this contract. Buyer and Seller shall also deposit with the escrow agent all instruments, documents, and other items identified in the escrow instructions or reasonably required by the escrow agent to close the sale on the closing date specified below.

3.2. Closing Date. The escrow shall be closed on the date the deed is recorded. The escrow shall be considered to be in a condition to close when the escrow agent is authorized under the escrow instructions, and is able, to record the grant deed. The escrow must be in a condition to close no later than thirty (30) days after execution of this Agreement, unless the closing date is extended pursuant to the terms of this contract; provided, however, that this closing date shall not be extended beyond forty-five (45) days after execution of this Agreement.

3.3. Prorations. The following shall be prorated between Seller and Buyer on the basis of a 30-day month as of the date escrow closes: real property taxes, special assessments, and premiums on any insurance policies that are transferred to Buyer.

3.4. Broker's Commission. Neither Buyer nor Seller used the services of any real estate broker in connection with the sale contemplated by this agreement and therefore there is no real estate broker to whom commission is owed. **Notice: The amount or rate of real estate commissions is not fixed by law. They are set by each broker individually and may be negotiable between the seller and broker.**

3.5. Closing Costs. Buyer shall pay all closing costs. Buyer shall pay any transfer taxes. Buyer shall pay the costs of the preliminary report and title insurance policy required by this contract, if any, the cost of preparing, executing, and acknowledging the grant deed and all other instruments necessary to convey title to Buyer, and the cost of recording the grant deed and any other instruments required to convey title to Buyer. The escrow fee shall be paid by Buyer.

3.6. Vesting of Title. Buyer shall advise the escrow agent before the close of escrow of the manner in which title shall vest.

4. Representations and Warranties by Seller.

4.1 Seller makes the representations and warranties in this Paragraph 4, each and all of which shall survive any and all inquiries and investigations made by Buyer and shall survive the close of escrow and recordation of the Grant Deed.

4.2 Seller is a California nonprofit mutual benefit corporation duly organized, validly existing and good standing under the laws of the State of California, and has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. Seller, and the specific individual parties signing this Agreement on behalf of Seller, represent and warrant that the parties signing this Agreement on behalf of the Seller have the full legal power, authority and right to execute and deliver this Agreement.

4.3 Neither the entering into this Agreement nor the performance of any of Seller's obligations under this Agreement will violate the terms of any contract, agreement or instrument to which Seller is a party.

4.4. Other than those express representations and warranties contained in this Agreement, Seller makes no warranty or representation, express or implied, including but not limited to, implied warranties of merchantability and fitness for a particular purpose.

5. Representations and Warranties by Buyer.

5.1 Buyer makes the following representations and warranties in this Paragraph 6, each and all of which shall survive any and all inquiries and investigations made by Seller and shall survive the Close of Escrow and recordation of the Grant Deed.

5.2 All of the information and any financial statement delivered by Buyer to Seller is true and correct.

5.3 Buyer has neither engaged nor dealt with any broker or finder in connection with the sale contemplated by this Agreement.

5.4 Buyer has the full legal power, authority and right to execute and deliver this Agreement.

5.5 Buyer understands that Seller is a common interest development subject to the Davis-Stirling Common Interest Development Act and the governing documents of the Pine Mountain Lake Association ("Association"). Buyer understands that Buyer shall be subject to the Association's governing documents, including the CC&Rs, upon accepting a deed to the Property and becoming a member of the Association.

5.6 Without limiting the foregoing, subject to Seller's representations and warranties contained in this Agreement, Buyer hereby acknowledges and agrees that Buyer will purchase and acquire the Property, and all matters relating to the Property, including but not limited to, those matters listed below, in the present "As Is" condition. The matters are:

(i). Soils, Topography, etc. Grading, compaction, soils and geologic conditions, including the existence of any toxic or hazardous materials, archeological, prehistoric and historic artifacts, remains and relics and endangered species.

(ii). Utilities. The availability of utilities to service the Property.

(iii). Planning, Zoning and Development Restrictions. Applicable planning, zoning and subdivision statutes, ordinances, regulations, moratoriums, subdivision maps, environmental review documents prepared and adopted pursuant to the California Environmental Quality Act, and permits, including any restriction on size, height, physical appearance, architecture and related matters.

(iv). Fees. The character and amount of any fee, cost or other expense, which must be paid in

conjunction with the development of the Property (including without limitation school fees).

(v). Suitability. The suitability of the Property for any and all activities and uses, which Buyer may conduct thereon.

(vi). Compliance. The compliance of or by the Property or its operation with any and all laws, rules, ordinances or regulations of any applicable governmental authority or body.

(vii). Warranty. The habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property.

(viii). Other Matters. Any other matter relating to the Property or to the development of the Property, including but not limited to value, feasibility, cost, governmental approvals, marketing, investment return and all other matters arising out of or relating to the Property.

5.7 Survival. The representations and warranties of Buyer set forth in this Agreement shall survive the Close of Escrow.

5.8 Buyer has or will make its own investigation concerning the physical condition of the Property, condition of title or any other matter pertaining to the Property, and, other than the specific representations and warranties made by Seller pursuant to this Agreement, Buyer is not relying on any representations, warranties or inducements of Seller with respect to the physical condition of the Property, condition of title to the Property, or any other matter pertaining to the Property.

6. Indemnification.

6.1 Buyer ("Indemnitor") agrees to indemnify and hold Seller, its members, directors, officers, and employees ("Indemnitees") harmless from and against any claim, loss, damage or expense, including any reasonable attorneys' fees (including attorneys' fees on appeal), asserted against or suffered by the Indemnitees resulting from:

(i) Any breach by the Indemnitor of this Agreement; or

(ii) The inaccuracy or breach of any of the representations, warranties or covenants made by the Indemnitor.

6.2 Indemnitees shall submit any claim for indemnification under this Agreement to the Indemnitor in writing within a reasonable time after Indemnitees determine that an event has occurred which has given rise to a right of indemnification under this Paragraph 6 and shall give Indemnitor a reasonable opportunity to investigate and cure any default of Indemnitor under this Agreement and eliminate or remove any claim by a third party.

6.3 If such claim for indemnification relates to a claim or demand presented in writing by a third party against Indemnitees, Indemnitor shall have the right to employ counsel reasonably acceptable to Indemnitees to defend any such claim or demand, and Seller shall make available to Indemnitor, or its representatives, all records and other materials in its possession or under its control reasonably required by Indemnitor for its use in contesting such liability.

6.4 Buyer further agrees to indemnify and hold harmless Seller, its officers, directors, members, agents, attorneys, and all persons acting under or through them, from and against any claim, loss, damage or expense, including reasonable attorney's fees (including reasonable attorney's fees on appeal), asserted against or suffered by any such person or entity arising from or related to the sale of the Property, including, but not limited to, any claims arising from or related to the sale of the Property asserted by an owner, lender, mortgagee or beneficiary of a deed of trust. Notwithstanding the foregoing, Buyer shall have no indemnity obligation under this Paragraph 6.4 for any claims, losses, damages or expenses arising solely from the gross negligence or intentional misconduct of such person(s) and/or entity(ies).

6.5 The obligations of Buyer to indemnify the Indemnitees shall not extend to conditions caused by the gross negligence or intentional acts of Indemnitees.

7. Miscellaneous Provisions.

7.1. Loss, Destruction, and Condemnation. The parties agree that the following provisions shall govern the risk of loss.

(a) If, before Seller transfers legal title or possession of the Property to Buyer, all or a material part of the Property is destroyed without fault of Buyer, or is taken by eminent domain by any person or entity, Buyer shall be entitled to recover any portion of the price that Buyer has paid, and Seller shall not have the right to enforce this contract.

(b) If after Seller transfers legal title or possession of the Property to Buyer, all or any part of the Property is destroyed without fault of Seller, or is taken by eminent domain by any person or entity, Buyer is not relieved from Buyer's obligation under this contract to pay the full price for the Property, nor is Buyer entitled to recover any portion of the price Buyer has paid.

7.2. Liquidated Damages. If Buyer defaults in the performance of this contract, the parties agree that Seller shall be released from any obligation to sell the Property to Buyer and may retain, as liquidated damages, the deposit paid by Buyer on execution of this contract. The parties further agree that the amount of liquidated damages established by this provision is a reasonable estimate, under the circumstances existing on the date of execution of this contract, of what Seller's damages would be in the event of a default by Buyer.

Initialed by Buyer:

Initialed by Seller:

7.3. Notices. Any notice, tender, delivery, or other communication pursuant to this contract shall be in writing and shall be deemed to be properly given if delivered, mailed, or sent by wire or other telegraphic communication as follows:

(a) If to Buyer:

Name:

Street Address:

City, State, Zip Code:

(b) If to Seller:

Pine Mountain Lake Association
19228 Pine Mountain Drive
Groveland, CA 95321

Either party may change that party's address for these purposes by giving written notice of the change to the other party in the manner provided in this paragraph. If sent by mail, any notice, delivery, or other communication shall be effective or deemed to have been given 48 hours after it has been deposited in the U.S. mail, duly registered or certified, with postage prepaid, and addressed as set forth above.

7.4. Entire Agreement. This contract and the attached exhibits constitute the entire agreement between the parties relating to the sale of the Property. Any prior agreements, promises, negotiations, or representations not expressly set forth in this contract are of no force and effect. Any amendment to this contract shall be of no force and effect unless it is in writing and signed by Buyer and Seller.

7.5. Attorneys' Fees. If any action, proceeding, or arbitration arising out of or relating to this contract is commenced by either party to this contract or by the escrow agent, then as between Buyer and Seller, the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorneys' fees, costs, and expenses incurred in the action, proceeding, or arbitration by the prevailing party.

7.6. Binding Effect. This contract shall be binding on and inure to the benefit of the parties to this contract and their heirs, personal representatives, successors, and assigns, except as otherwise provided in this contract.

7.7. Governing Law. This contract and the legal relations between the parties shall be governed by and construed in accordance with the laws of the State of California.

5.12. Headings. The headings in this contract are inserted for convenience only. They do not constitute part of this contract and shall not be used in its construction.

5.13. Waiver. The waiver by any party to this contract of a breach of any provision of this contract shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other

provision of this contract.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth in the first paragraph of this Agreement.

SELLER
Pine Mountain Lake Association,
a California nonprofit mutual benefit corporation

By: _____
Its: _____

BUYER

By: _____

Exhibit “A”

[Property Description Here]