

AGREEMENT TO PURCHASE TAX-DEFAULTED PROPERTY

This Agreement is made this _____ day of _____, 2016 by and between the County of Merced, a political subdivision of the State of California ("COUNTY"), and City of Merced, a municipal corporation, as a Taxing Agency ("PURCHASER"), in accordance with provisions of California law with reference to the following facts:

R E C I T A L S

A. The real property situated within said county, hereinafter set forth and described in Exhibit "A" of this Agreement, is tax-defaulted and is subject to the power of sale by the tax collector of said county for the nonpayment of taxes, pursuant to provisions of law.

A G R E E M E N T

In consideration of the mutual promises herein set forth, the parties mutually agree as follows:

1. Payment for Notice. As provided by Section 3800 of the Revenue and Taxation Code, PURCHASER shall pay the cost of giving notice of this Agreement and the cost of publication or posting the Notice of Agreement.
2. Purchase and Evidence of Title. Within twenty-one (21) days from the effective date of this Agreement, PURCHASER also agrees to pay a sum sufficient to redeem the delinquent property taxes pursuant to Revenue and Taxation Code section 3793.1(a) or a reduced price in accordance with section 3793.1(b). The approval and notice process will determine the effective date of the sale and the final purchase price. PURCHASER agrees to pay the amount specified in Exhibit "B" for the properties described in Exhibit "A.". Payment shall be by cash or certified funds payable to the Merced County Tax Collector. Upon receipt of said sums by the Tax Collector, the Tax Collector shall execute and record a deed conveying title to said property to PURCHASER and after recordation the deeds will be returned to the purchaser by the County Clerk/Recorder.
3. No Representation. COUNTY makes no representation concerning the condition of title to the subject property. Additionally, COUNTY makes no representation concerning the physical condition of the subject property and PURCHASER acknowledges that it is not relying upon any statements or representations of the COUNTY concerning the subject property and is purchasing the subject property in its "as is" condition.

4. Other Expenses. PURCHASER shall pay the other expenses in addition to the purchase price of the property, including but not limited to the cost of proceeding to obtain a clear title to the property, and the expenses incurred in the payment, compromise or other method of removal of any liens or adverse claims against the property.
5. Treated as A Single Transaction. COUNTY shall sell the parcels listed in Exhibit "A" as a single transaction to the PURCHASER in consideration of the receipt of the payments in paragraphs 1. through 3.
6. Redemption. If any of the parcels listed in Exhibit "A" are redeemed prior to the effective date of this agreement, this Agreement shall be null and void as to that parcel. Notwithstanding the foregoing, the Agreement shall be binding and shall remain in full force and effect with respect to any remaining parcel(s).
7. Purchaser's Default. This Agreement shall become null and void and the right of redemption restored upon the PURCHASER'S failure to comply with the terms and conditions of this Agreement prior to the tax deed recordation. The PURCHASER will be required to reimburse the Tax Collector for the costs for providing notice, publication, and actual costs incurred for preparing and conducting the Chapter 8 Agreement Sale if these expenses have already been incurred.
8. Indemnity. The PURCHASER shall indemnify COUNTY from and against any and all liability, loss, costs, damages, fees of attorneys, and other expenses which COUNTY may sustain or incur by reason of a challenge to the validity of the tax-default sale of the property described in Exhibit "A". Pursuant to Section 3809 of the California Revenue and Taxation Code, a proceeding based on alleged invalidity or irregularity of any proceeding instituted can only be commenced within one year after the date of execution of the Tax Collector's deed. Therefore, PURCHASER may find it prudent to delay any improvement on the property for this one-year period.
9. Environmental Condition of Property. The parcels acquired pursuant to this Agreement may contain hazardous wastes, toxic substances, or other substances regulated by federal, state, and local agencies. COUNTY in no way whatsoever assumes any responsibility, implied or otherwise, and makes no representations that the parcels are in compliance with federal, state, or local laws governing such substances. COUNTY in no way assumes any responsibility, implied or otherwise, for any costs or liability of any kind imposed upon or voluntarily assumed by PURCHASER or any other owner to remediate, clean up, or otherwise bring into compliance according to federal, state, or local environmental laws any parcel purchased.

10. CERCLA. COUNTY and PURCHASER agree that, under 42 U.S.C. § 9601(20)(D), the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") expressly excludes local and state governments from clean up liability for properties they acquire as a result of tax delinquencies. Notwithstanding this provision, PURCHASER shall defend, indemnify, and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against any and all demands, claims, actions, liabilities, losses, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from the performance of this Agreement, regardless of whether caused in part by a party indemnified hereunder, including but not limited to allegations that COUNTY and/or COUNTY's officers, directors, agents, employees, or volunteers are liable for costs or other charges related to the remediation, clean up, or other work necessary to bring any parcel purchased under this Agreement into compliance with federal, state, or local environmental laws.

The undersigned hereby agree to the terms and conditions of this agreement and are duly authorized to sign for said agencies.

ATTEST:

PURCHASER

By: _____

By: _____

(SEAL)

ATTEST:

BOARD OF SUPERVISORS OF
MERCED COUNTY

By: _____
Clerk of the Board of Supervisors

By: _____
(name)

By: _____
Deputy

By: _____
Chairman

(SEAL)

Pursuant to the provisions of Section 3795 of the Revenue and Taxation Code, the Controller approves the foregoing agreement this _____ day of _____, _____.

BETTY T. YEE,
CALIFORNIA STATE CONTROLLER

By: _____

APPROVED AS TO FORM:

Kenneth Rozell 3/16/14
KENNETH ROZELL
Senior Deputy City Attorney

Exhibit A

Legal Description of Property

Land situated in the City of Merced, County of Merced, and State of California, and described as follows:

Lot U4, as shown on the Map entitled, BELLEVUE RANCH EAST-PHASE 1, recorded in Book 61 of Official Maps, Pages 21 through 29, Merced County Records.

EXCEPTING THEREFROM the property and property rights excepted and reserved in Deed recorded August 4, 1961 in Volume 1539 of Official Records, Page 594, and in Deed recorded March 27, 1963 in Volume 1605 of Official Records, Page 112, Merced County Records, being all oil, gas and minerals lying below a depth of 500 feet.

APN: 224-020-016

EXHIBIT B

Description	Location	City Council District	County Supervisor's District	First Year Delinquent	Default Number	Purchase Price
224-020-016-000	Bellevue Ranch East-Village 16 Lot U4	Merced, CA	District 4	FISCAL YEAR	DEF080004806	\$4,095.78
PURCHASE PRICE VALID THROUGH 09/30/2016						\$4,095.78
REQUIRED DEPOSIT AMOUNT						\$ 2,000.00