

# Shasta Resources Council

*Securing Old Shasta's Future*

Randall Hauser, *Chair*  
Council Members

Lynn Aase  
Doug Craig  
Bruce Crom  
Lang Dayton  
Rick Lemler  
Eric Ohde  
Marc Pfister  
Steve Schroth  
Bill Siemer  
Gloria Speigle  
Jim Underwood  
Susan Weale  
Bryan Zollner

June 19, 2006

Mr. Mike Pool  
State Director  
Bureau of Land Management  
California State Office  
2800 Cottage Way, Suite W-1834  
Sacramento, CA 95825-1886

Mr. Pool:

Enclosed is an offer from the Shasta Resources Council to purchase the Victoria Drive Parcel at the BLM appraised value. The offer is legally binding and is fully funded. Should the BLM wish formal proof of funding, please notify the SRC and we shall provide it within 15 days. If any aspect of this offer does not meet BLM direct purchase protocol, please so notify the SRC and include sufficient detail such that we may comply.

A current copy our Prospectus and Plan is also included for your reference as to the intended utilization of the Victoria Drive Parcel.

If any further information or clarification is needed, please do not hesitate to contact us. Thank you for your cooperation in this matter.

Sincerely Yours,

Randall Hauser, Chair

cc: Steve Anderson, Redding Field Office  
Hon. Barbara Boxer, U.S. Senate (DC)  
Stacey Smith, Field Representative, Congressman Boxer(Sacramento)  
Hon. Diane Feinstein, U.S. Senate (DC)  
Mike Walker, Field Representative, Senator Feinstein (SF)  
Hon. Wally Herger, U.S. House of Representatives (DC)  
Dave Meurer, Field Representative, Congressman Herger (Redding)  
Board of Supervisors, Shasta County  
Board of Directors, Shasta Community Services District

## **PURCHASE AGREEMENT and ESCROW INSTRUCTIONS**

PARTIES:     Buyer:                     Shasta Resources Council, Inc., or Assignee(s)  
                  Seller:                     United States  
                  Escrow Holder:         First American Title Company

This Purchase Agreement and Escrow Instructions (“Agreement”) is made and entered into by and between the above named parties. For the sake of convenience, the United States is hereinafter referred to as “Seller”, and Shasta Resources Council, Inc., is hereinafter referred to as “Buyer”.

### **RECITALS**

- A. Seller is the owner of certain real property west of Redding in Shasta County, California, consisting of 215.85 acres otherwise known as the Victoria Drive Parcel as described in Exhibit A and hereinafter called “Property”.
- B. Buyer desires to acquire the property to preserve the ecological, recreational and historic resources it contains for the public.
- C. Seller and Buyer mutually desire to effect Buyer’s purchase of the Property on the terms and conditions set forth herein.

### **TERMS**

In consideration of the foregoing recitals and the mutual promises contained herein, the parties hereby agree, and Escrow holder is hereby instructed, as follows:

1. **PROPERTY.** The property specifically includes all improvements now located thereon, together with any interest in water rights that Seller may have with respect to the Property and all easements and appurtenances thereto as described in Exhibit A. The Property also includes any right to receive compensation or benefit, including refunds and credits, for right of way that is sold, taken or donated, whether such sale, taking or donation occurs before or after close of escrow; and all such compensation or benefit shall belong to Buyer whether the said sale, taking or donation occurs before or after escrow.

**2. PURCHASE.** Pursuant to the terms set forth in this Agreement, Seller agrees to sell the Property to Buyer and Buyer agrees to purchase the Property from Seller.

**3. PRICE / DEPOSIT / PAYMENT.**

3.1 *Purchase Price.* The purchase price for the Property shall be Nine Hundred Thousand Dollars (\$900,000.00) or 100% of the BLM appraised value for the Property.

3.2 *Deposit.* Upon execution of the Agreement by both Buyer and Seller, within five (5) business days, Buyer shall deposit Ten Thousand Dollars (\$10,000.00) with escrow holder.

3.3 *Payment.* At close of escrow, the deposit shall be credited to Buyer and paid to Seller, and the balance of the Purchase Price shall be paid to Seller through escrow in cash.

**4. CONVEYANCE OF TITLE.** Conveyance of title to the Federal land will occur by issuing one patent from the United States to the Shasta Resources Council, a California Non-Profit Corporation, as described in Exhibit A.

At the close of escrow, Escrow Holder shall issue a Standard Owner's (C.L.T.A.) Policy of Title Insurance, insuring the interests of the Buyer, and showing title as described in Exhibit A. The total liability of the policy of title insurance shall be in the amount of the purchase price for the Property. The cost of title insurance shall be paid by the buyer.

**5. CONDITION OF PROPERTY.** Seller does not have any knowledge of the existence of any of the following: (i) any soil or water contamination or pollution located on or originating at the Property; (ii) any hazardous waste or substance stored, treated, released, discharged or disposed of on, under or at the Property; (iii) any underground storage tanks which exist on the Property; (iv) any waste disposal at or on the Property which has not been done in accordance with all applicable statutes, ordinances and regulations; or (v) any pending or threatened action or proceeding regarding such environmental or health and safety statutes, ordinances or regulations concerning the Property.

**6. FUNDING PERIOD.** Buyer shall have ninety (90) days following execution of this Agreement to assemble purchase funds and place those funds in escrow in accordance with the provisions of this Agreement.

**7. ESCROW HOLDER.** The Escrow Holder herein referred to shall be First American Title Company. Each party hereto shall deposit in such escrow, prior to the date set for the close of same, such sums of money and such documents as may be required to comply with the terms and conditions hereof.

7.1 *Deadline for Close of Escrow.* The date for Close of Escrow shall be ninety (90) days following execution of this agreement.

7.2 *Closing Procedures.* Upon Close of Escrow, Escrow Holder shall:

- a. Record a Grant Deed conveying title to the Property from Seller to Buyer.
- b. Pay Seller the Purchase price for the Property.
- c. Deliver the recorded Deed and Policy of Title insurance to Buyer.
- d. Deliver to Buyer and Seller, respectively, Escrow holder's statement and other documents appropriate for delivery out of escrow.

7.3 *General Provisions.*

- a. No notice, demand, or change of instructions shall be of any effect in this escrow or be recorded by Escrow Holder unless given in writing and signed by both Buyer and Seller.
- b. It is fully understood that the liability of Escrow Holder hereunder shall be confined to those things specifically called for in these instructions.
- c. All funds received in this escrow shall be deposited with other funds in a general account of Escrow Holder, with any state or national bank doing business in the state of California and may be deferred to any other such general escrow account. All disbursements shall be made by check of Escrow Holder.
- d. Recordation of any instrument delivered through escrow, as necessary or proper for the issuance of the policy of title insurance, is authorized.
- e. If Escrow Holder is unable to comply with these instructions at close of escrow on or prior to the date set forth for said closing, without fault on the part of either party, all money and documents deposited with Escrow Holder shall thereafter be returned, upon demand, to the party depositing such money or documents.
- f. Escrow Holder's knowledge of matters affecting the property (providing such facts do not prevent compliance with these instructions) or Escrow Holder's delivery or return of funds or documents made in strict accordance with this Agreement to the person or persons entitled thereto, shall not create any liability or duty on the Escrow Holder in addition to its responsibilities under this Agreement.

**8. TIME OF ESSENCE.** Time is of the essence of each provision of this Agreement.

**9. SUCCESSORS AND ASSIGNS.** Buyer may assign its rights and obligation to a qualifying 501c3 charitable organization in its sole discretion. Such assignment will not relieve Buyer of Buyer's obligations under this Agreement.

**10. NOTICES.** Any notices to be given under this Agreement shall be in writing and unless in fact otherwise received, shall be considered effectively given by mailing of the same by United States first-class mail, postage prepaid or by personal delivery thereof. Notices shall be addressed to the parties at the following addresses:

If to Seller: Steve Anderson  
Field Manager  
355 Hemsted Drive  
Redding, CA 96002

If to Buyer: Shasta Resources Council  
3179 Bechelli Lane  
Redding, CA 96002

Notices given by mail shall be deemed given on that date of mailing and shall be deemed effective two (2) days after the date of deposit in the mail, for purposes of calculating the time within which the other party has to act in response to such notice. Notices given by personal delivery shall be effective upon delivery.

**11. INTEGRATION/MODIFICATIONS.** This Agreement sets forth the entire agreement of the parties hereto with respect to the matters contained herein. Any and all prior negotiations, representations and agreements concerning the same, whether oral or written, are superseded by this Agreement. This Agreement may only be modified, amended, or terminated by a later agreement in writing executed by the party to be charged with the modification or amendment.

IN WITNESS WHEREOF, the undersigned have executed this Purchase Agreement and Escrow Instructions effective on the date last written below.

**BUYER: Shasta Resources Council, Inc.**

**SELLER: UNITED STATES**

By: \_\_\_\_\_  
Randall Hauser, Director

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit A

### Description of Land Conveyed

County	Legal Description	Acres
Shasta	T. 31 N., R. 5 W., M.D.M., Sec. 5, lot 17, lot 18, lot 19, lot 21, lot 22, lot 49, lot 50; Sec. 6, lot 8, lot 9, lot 10, lot 17, lot 18, lot 19, lot 20, lot 22, lot 26;  T. 32 N., R. 5 W., M.D.M., Sec. 32, lot 155, lot 173, lot 174, lot 175, lot 176, lot 227, lot 228, lot 229	215.85

Conveyance of the Federal land will occur by issuing one patent from the United States to the Shasta Resources Council, for the surface and mineral estates in Shasta County, California. The patent will contain the following reservation to the United States:

EXCEPTING AND RESERVING TO THE UNITED STATES a right-of-way thereon for ditches or canals constructed by the authority of the United States. Act of August 30, 1890, 43 U.S.C. 945

THE PATENT WILL BE SUBJECT TO THE FOLLOWING PRIOR EXISTING RIGHTS:

- a. Those rights for water facility purposes granted to E. C. Tuthill, his successors or assigns, under right-of-way Serial No. CACA 26163, pursuant to the Act of October 21, 1976, 43 U.S.C. 1761, as to portions of said lots 17 and 18 of sec. 5, and lot 8 of sec. 6, T.31N., R.5W., M.D.M.
- b. Those rights for cable line purposes granted to Marks Cablevision, its successors or assigns, under right-of-way Serial No. CACA 26643, pursuant to the Act of October 21, 1976, 43 U.S.C. 1761, as to portions of said lots 18 and 19 of sec. 5, and lot 8 of sec. 6, T.31N., R.5W., M.D.M.
- c. Those rights for power line purposes granted to Pacific Gas and Electric Company, its successors or assigns, under right-of-way Serial No. CAS 3948, pursuant to the Act of October 21, 1976, 43 U.S.C. 1761, as to portions of said lots 18 and 19 sec. 5, T.31N., R.5W., M.D.M.
- d. Those rights for road purposes granted to Dixie Lazzari and Gilbert R. Lazzari, their successors or assigns, under right-of-way Serial No. CACA 20167, pursuant to the Act of October 21, 1976, 43 U.S.C.1761, as to portions of said lot 49 of sec. 5, T.31N., R.5W., M.D.M.

- e. Those rights for power line purposes granted to Pacific Gas and Electric Company, its successors or assigns, under right-of-way Serial No. CAS 039795, pursuant to the Act of October 21, 1976, 43 U.S.C.1761, as to portions of said lot 49 of sec 5, T.31N., R.5W., M.D.M.
- f. Those rights for road purposes granted to Ronald L. Clark, his successors or assigns, under right-of-way Serial No. CACA 38458, pursuant to the Act of October 21, 1976, 43 U.S.C. 1761, as to portions of said lot 155 of sec. 32, T.32N., R.5W., M.D.M.
- g. Those rights for water facility/pipeline purposes granted to Shasta Community Services District, its successors or assigns, under right-of-way Serial No. CACA 00588, pursuant to the Act of October 21, 1976, 43 U.S.C. 1761, as to portions of said lots 173 and 174 of sec. 32, T.32N., R.5W., M.D.M.

THE PATENT WILL BE SUBJECT TO THE FOLLOWING RESTRICTIONS:

The patentee, or its successors in interest, shall be subject to the following restriction, which constitutes a covenant running with the land; that the following lands will not be used in any manner which would disturb the soils or alter riparian habitat within 50 feet of the top of each bank or 25 feet from the outside edge of the riparian vegetation drip line of the upper and lower forks of Salt Creek, whichever is greater: lots 8,17,18,19 and 22 of sec 6, lots 17, 18, and 19 of sec 5, T.31N., R.5W., lot 227 of sec. 32, T.32N., R.5W., M.D.M.

Permanent structures may be constructed to allow crossing of the upper and lower forks of Salt Creek, but must be free span bridges, bottomless arched culverts, or standard culverts at gradient such that water flow is not impaired and upstream or downstream passage of fish is assured at all times.

Bottoms of temporary and permanent culverts shall be placed such that the lower 25% of the diameter of the culvert is below grade of the stream channel to allow the formation over time of a more natural stream bottom.

Exceptions to this covenant may only be granted through written approval of the California Department of Fish and Game.

The BLM will not provide any form of title insurance associated with the conveyance.