

**EQUITY RIGHTS PURCHASE AGREEMENT AND
TERMINATION OF JOINT OCCUPANCY AGREEMENT
BETWEEN THE JUDICIAL COUNCIL OF CALIFORNIA AND
THE COUNTY OF MENDOCINO REGARDING
THE WILLITS SUPERIOR COURT**

1. PURPOSE

The Judicial Council of California (“**Judicial Council**”) and the County of Mendocino (“**County**”) enter into this Agreement under section 70391 of the Trial Court Facilities Act of 2002, Government Code section 70301 et seq., as it exists on the Effective Date (“**Act**”), to set forth the terms and conditions for the purchase of Equity Rights in the Property, as more fully set forth herein.

2. DEFINITIONS

2.1 “**Agreement**” means this *Equity Rights Purchase Agreement and Termination of Joint Occupancy Agreement*.

2.2 “**Building**” means the “Building” as defined in the Transfer Agreement and JOA, in which the Court Facility is located, and includes all connected or related structures and improvements and all Building Equipment.

2.3 “**City**” means the City of Willits.

2.4 “**Common Area**” means the “Common Area” as defined in the JOA.

2.5 “**Compensation**” means the total amount paid by the County to the Judicial Council, along with all other promises made by and between the Parties, in exchange and consideration for the Judicial Council’s Equity Rights as further set forth herein.

2.6 “**Consummation Date**” means the date on or by which the County shall have paid in full, and the Judicial Council has received, the Compensation for the Equity Purchase.

2.7 “**Court**” means the Superior Court of California for the County of Mendocino.

2.8 “**Court Exclusive-Use Area**” means the “Court Exclusive-Use Area” as defined in the JOA.

2.9 **“Court Facility”** means the “Court Facility” as defined in the Transfer Agreement, located at 125 E. Commercial Street, Willits, California, and commonly known as the Willits Superior Court.

2.10 **“Effective Date”** means the date this Agreement is signed by the last Party to sign.

2.11 **“Equity”** means “equity” as the term and concept are used in the Act.

2.12 **“Equity Purchase”** means the Judicial Council’s disposition and relinquishment, and the County’s purchase and assumption, of the Judicial Council’s Equity Rights in the Real Property under section 70391 of the Act and this Agreement.

2.13 **“Equity Rights”** means (i) all rights, interests, and entitlement of the Judicial Council and the Court in and to the 4,487 square feet of Court Exclusive-Use Area in the Building that is occupied and used exclusively by the Court pursuant to the JOA, and which space comprises approximately twenty-eight and seventy-five one-hundredths percent (28.75%) of the Total Exclusive-Use Area in the Building, as depicted on the floor plan in **Exhibit “A”** attached to and incorporated into this Agreement; and (ii) all non-exclusive rights, interests, and entitlement of the Judicial Council and Court in and to any Common Area of the Building and Real Property including the Parking Area.

2.14 **“Joint Occupancy Agreement”** or **“JOA”** means the *Joint Occupancy Agreement*, and all exhibits thereto, dated as of December 9, 2008, between the Parties, which sets forth the terms and conditions for the Parties’ shared possession, occupancy, and use of the Property.

2.15 **“Land”** means the “Land” as defined in the Transfer Agreement and JOA, which includes the County’s (i) rights to enter and exit the Land; (ii) recorded and unrecorded rights to water, water stock, oil, gas, minerals, and timber related to the Land; and (iii) existing, granted development permits, entitlements, and air and view rights.

2.16 **“Lease”** means the “Lease” as defined in the Transfer Agreement and JOA, which is the lease for the Court Facility between the County and the City, dated as of May 1, 1987, and includes all amendments and addenda to the Lease.

2.17 **“Leasehold Interest”** means the “Leasehold Interest” as defined in the Transfer Agreement, which includes all of the County’s rights and interest in the Land, the Building, the Court Facility, and the Tenant Improvements granted by the Lease.

2.18 **“Parking Area”** means the “Parking Area” as defined in the Transfer Agreement and JOA, which includes the twenty-one (21) parking spaces demised by the

Lease for the purposes of parking and is shared by the Court, the County, the City, and the general public on a first come, first served basis.

2.19 **“Party”** means the Judicial Council or the County individually, and **“Parties”** means the Judicial Council and the County collectively.

2.20 **“Property”** means the “Property” as defined in the Transfer Agreement, which includes all right, title, and interest in and to the Lease, the Leasehold Interest, the Building, and the Personal Property.

2.21 **“Real Property”** means the “Real Property” as defined in the Transfer Agreement, consisting of the Land owned by the City, the Building, and the Parking Area.

2.22 **“Relinquishment”** means the Judicial Council’s relinquishment of its Equity Rights in the Real Property

2.23 **“Termination”** means the Parties’ termination of the JOA.

2.24 **“Total Exclusive-Use Area”** means the “Total Exclusive-Use Area” as defined in the JOA.

2.25 **“Transfer Agreement”** means the *Transfer Agreement for the Transfer of Responsibility for Court Facility*, and all exhibits thereto, dated as of December 9, 2008, between the Parties which sets forth the terms and conditions for the transfer of responsibility for funding and operation of the Court Facility under the Act.

3. PURCHASE OF EQUITY RIGHTS

3.1 Disposition of Equity Rights. The County agrees to purchase from the Judicial Council, and the Judicial Council agrees to sell to the County, at the price and upon the terms and conditions set forth in this Agreement, the Judicial Council’s Equity Rights in the Building and Property pursuant to section 70391 of the Act and this Agreement.

3.2 Compensation. The Compensation for the Equity Purchase is Three Hundred Seventy Thousand Dollars (\$370,000).

3.3 Payment of Compensation. The County shall pay the Compensation to the Judicial Council by or before thirty (30) days from the Effective Date of this Agreement.

3.4 Rights and Responsibilities. Upon completion of the Equity Purchase, the rights and responsibilities of the Parties with respect to the Equity Rights purchased by the County shall be as set forth in this Agreement, the Transfer Agreement, and the JOA.

3.5 Representations and Warranties. Each Party makes to the other Party the following representations and warranties to the best of the Party's knowledge after reasonable investigation and inquiry:

3.5.1 The Compensation is equal to the fair market value of the Judicial Council's Equity Rights in the Property;

3.5.2 The individual(s) who executes this Agreement on behalf of the Party has been duly authorized and empowered, by a resolution or other formal action of the Party, to sign this Agreement on its behalf, and no other or further approval or consent is required to authorize or empower the Party to enter into and perform this Agreement; and

3.5.3 This Agreement and the Equity Purchase contemplated herein do not and will not violate any agreement, obligation, or court order by which the Party is bound or to which it or its assets are subject.

4. **CLOSING THE EQUITY PURCHASE TRANSACTION**

4.1 Delivery of Executed Documents. The County and the Judicial Council shall each deliver one (1) signed counterpart of this Agreement to the other Party.

4.2 Consummation of Equity Purchase; Consummation Date Notice. The Equity Purchase, including the Relinquishment and the Termination as a consequence thereof, will be effective and deemed consummated immediately and automatically upon the Consummation Date if all conditions therefor have been satisfied by the Parties. Upon the Judicial Council's receipt of the County's full payment of the Compensation for the Equity Purchase, the Judicial Council shall provide written notice to the County confirming the Consummation Date ("**Consummation Date Notice**").

4.3 Relinquishment; No Warranty or Recourse. Upon the Consummation Date, the Judicial Council, on behalf of itself and the Court, hereby agrees to the Relinquishment and accordingly remises, releases, and forever relinquishes to the County any and all of its right, title, and interest in and to the Equity Rights in the Property, in an as-is condition, with no representations or warranties by the Judicial Council with respect to the condition of the Property and with no recourse of any kind.

4.4 Acceptance. Upon the Consummation Date, the County hereby agrees to accept the Relinquishment from the Judicial Council and assume all of the Judicial Council's right, title, and interest in and to the Equity Rights in the Property.

4.5 Termination of JOA; Transfer Agreement. The JOA will hereby terminate and no longer be of any force or effect as of the Consummation Date, except for those

terms of the JOA that will survive the Termination per the JOA or as the Parties expressly agreed to in writing. Notwithstanding the Termination, the Transfer Agreement remains in full force and effect to the extent not inconsistent with this Agreement.

4.6 Vacation of the Real Property. As of the Effective Date, the Parties acknowledge and agree that the Judicial Council has entirely vacated its occupancy of the Real Property.

4.7 Delivery of Possession. Upon the completion of the Equity Purchase, the Judicial Council will deliver to the County possession and control of the Equity Rights, and the Judicial Council will thereafter have no right, claim, or interest in the Equity Rights whatsoever.

4.8 Memorandum Not Recorded. The Memorandum referenced in the JOA is defined as the document recorded in the official records as an encumbrance on the Land pursuant to the Transfer Agreement. The Parties acknowledge and agree that the Transfer Agreement does not provide for the Memorandum and the Parties did not record any document or other encumbrance on the Land in the official records with respect to the Transfer Agreement or JOA; there consequently is no Memorandum or other document concerning the Transfer Agreement or JOA that needs to be either terminated or otherwise removed from the official records.

5. MISCELLANEOUS

5.1 Dispute Resolution. Any dispute between the Parties concerning this Agreement shall be resolved under the terms of section 11 of the Transfer Agreement (*Dispute Resolution*), which terms are incorporated into this Agreement as if fully set forth herein.

5.2 Indemnification. Indemnification between the Parties concerning this Agreement shall be resolved under the terms of section 8 of the Transfer Agreement (*Indemnities*), which terms are incorporated into this Agreement as if fully set forth herein.

5.3 Amendments. This Agreement may be amended only by written agreement signed by both of the Parties.

5.4 Waivers. No waiver of any provision of this Agreement will be valid unless it is in writing and signed by both Parties. A waiver by either Party at any time of any breach of this Agreement shall not be deemed to be a waiver of or consent to a breach of the same or any other provision of this Agreement. If a Party's action requires the consent or approval of the other Party, that consent or approval on any one occasion shall not be deemed to be a consent to or approval of that action on any later occasion or a consent or approval of any other action.

5.5 Notices. Any notices or other communications to be sent by one Party to the other under this Agreement shall be sent to the below addresses, and shall be deemed received in accordance with the provisions of section 12 of the Transfer Agreement (*Notices*), which provisions are incorporated into this Agreement as if fully set forth herein.

If to the Judicial Council: Judicial Council of California
Facilities Services
Attention: Director
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-643-7024

With a copy to: Judicial Council of California
Facilities Services
Attention: Manager, Real Estate
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-263-7999
Email: mary.bustamante@jud.ca.gov

If to the County: County of Mendocino
Executive Office
Attention: Chief Executive Officer
501 Low Gap Road, Room 1010
Ukiah, CA 95482
Voice: 707-463-4441
Email: ceo@mendocinocounty.gov

With a copy to: County of Mendocino
Office of General Counsel
501 Low Gap Road, Room 1030
Ukiah, CA 95482
Voice: 707-234-6885
Email: cocosupport@mendocinocounty.gov

5.6 Binding Effect. This Agreement binds the Parties and their permitted successors and assigns. The State of California, Judicial Council of California, Court, their political subdivisions, and their respective officers, agents, and employees are intended beneficiaries of all provisions of this Agreement for the benefit of the Judicial Council. Otherwise, this Agreement is for the benefit only of the Parties, and no third parties are intended to be benefited by this Agreement.

5.7 Governing Law. This Agreement, and the Parties' performance under this Agreement, will be exclusively governed by the laws of the State of California without regard to its conflict of law provisions.

5.8 Construction. The headings used in this Agreement are for convenience only and will not affect the meaning or interpretation of this Agreement. This Agreement will not be construed against any Party as the principal draftsman. The words "include" and "including" when used are not exclusive and mean "include, but are not limited to," and "including, but not limited to," respectively.

5.9 Integration. This Agreement contains the entire agreement of the Parties with respect to the Equity Purchase, and supersedes all previous and concurrent communications, understandings, and agreements, whether verbal, written, express, or implied, between the Parties concerning the subject matter of this Agreement.

5.10 Capitalized Terms. Any capitalized terms that are not otherwise defined in this Agreement will have the meanings given to them in the Transfer Agreement.

5.11 Severability. If any term of this Agreement is inconsistent with applicable law, then, upon the request of either Party, the Parties will promptly meet and confer to determine how to amend the inconsistent term in a manner consistent with Law, but all parts of this Agreement not affected by the inconsistency will remain in full force and effect.

5.12 Further Assurances. The County and the Judicial Council agree to cooperate reasonably and in good faith with one another to, without limitation: (i) implement the terms of this Agreement; and (ii) timely consummate the Equity Purchase. The Parties shall execute any further agreements and perform all additional acts that are reasonably necessary to carry out the terms of this Agreement.


5.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original as against the Party signing such counterpart and which together shall constitute one and the same instrument.

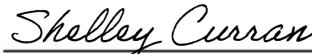
[SIGNATURES ON FOLLOWING PAGE(S)]

ACCEPTED AND AGREED TO:

JUDICIAL COUNCIL OF CALIFORNIA


APPROVED AS TO FORM:
Judicial Council of California,
Legal Services


By: 
Name: Kristin Kerr
Title: Supervising Attorney
Date: 8/15/2024

By: 
Name: Shelley Curran
Title: Administrative Director
Date: 8/26/2024


ATTEST:
Darcie Antle, Clerk of the Board

**COUNTY OF MENDOCINO, a political
subdivision of the State of California**

By: 
Name: Atlas Pearson, Senior Deputy Clerk of the Board
Title: Deputy
Date: 07/09/2024

By: 
Name: Maureen Mulheren
By: Chair, Board of Supervisors
Date: 07/09/2024

APPROVED AS TO FORM:
County of Mendocino
Office of the County Counsel

By: 
Name: Matthew Kiedrowski
Title: Deputy County Counsel
Date: 08/20/2024

