

General Terms of Option to Purchase

CASH SALE: Unless otherwise specified, the State is to receive the total purchase price in the form of a cashier's check, certified check or money order within the time specified.

OPTION DEPOSIT: All Option Deposits must be either **Cashier's Check, Certified Check, or Money Order** made payable to the Department of Transportation. **NO personal checks or cash will be accepted.** Bids submitted in any other form of deposit will not be considered. **The successful bidder's Option Deposit will be retained by Caltrans and not placed in escrow.**

OPTION PERIOD: The Option Deposit will be the consideration for the Option Period. The balance of the purchase price shall be **paid on or before** the expiration of the Option Period. There may be situations wherein the Option holder is unable to complete the terms of this Option within the time allowed for reasons beyond his/her control. Under these circumstances, the State, at its discretion, may elect to extend the Option Period. **A charge of 1% of the bid price per month will be made for such extensions. This charge shall not be applied toward the purchase price.**

FORFEITURE OF DEPOSIT: The Option Deposit (generally 10% of bid) is **NON-REFUNDABLE** in the event that the successful bidder fails to exercise the Option within the Option Period or extensions thereof as outlined above in "Option Period" or fails to comply with any and all terms of the Option as herein provided. However, if any sale is not approved by the California Transportation Commission, the Option Deposit will be refunded without interest.

LIMITING CONDITIONS

FEES: The successful bidder shall pay all recording fees, documentary transfer taxes, or other real estate transaction taxes or fees by whatever name known, including escrow fees or broker's commission, if any, and personal property sales taxes, where applicable.

TITLE: The properties are believed to be free of any liens, court judgments, loans (Deeds of Trust, etc.) and delinquent or unpaid property taxes. The sale of these properties is subject to all matters of public record and any easements, claims of easements, or reservations not of record or being reserved by the State. **The Department of Transportation does not assume any liability for any possible encumbrances on these properties.** The right, title, and interest in this property shall not exceed that vested in the State of California. Prospective bidders should consult local title companies if more complete information regarding the title of the property is required. Please see specific property description for more details.

LAND USE NOTE: The concerned local agency should be contacted to determine whether, in the future, the parcel may come under the provisions of the Subdivision Map Act, if the owner wants to adjust lot lines, divide the property or sell each separately described parcel. Caltrans is not responsible for land use determinations.

TRANSPORTATION COMMISSION: Sale items shall be subject to approval by the California Transportation Commission.

ZONING: It is the responsibility of all prospective purchases to **fully investigate** zoning and land use restrictions with local authorities concerning the potential uses of the sale property. **Caltrans makes no warranty regarding whether or not the current use of the property is in compliance with the present zoning and/or permitted use.**

TAXES: The properties are now exempt from local taxes, but will be returned to the tax rolls upon recording the Director's Deed to the successful bidder.

ENVIRONMENTAL ACT: The sale of this excess property is not exempt from the requirements of the California Environmental Quality Act of 1970 (CEQA). An environmental document was prepared for the sales of these properties. It is on file at

the Department of Transportation office administering the sale of the property. The environmental determination by Caltrans for the sale of properties does not mean that the buyer may not have to obtain subsequent environmental documents or prepare the same as required by any local agency. Buyer should also be aware that if buyer seeks some form of approval or permit for development subsequent to buyer's purchase of this excess property, the local agency may require an environmental document and/or environmental analysis before giving its approval or permit.

SURVEY: No warranty is made by Caltrans relative to ground location of property lines other than the monumented highway right-of-way line. Any independent survey is at purchaser's expense.

DISQUALIFIED BIDS: The State of California reserves the right to reject any and all bids and waive any information or irregularity in any bid or to accept any bid deemed in the best interest of the State at any time prior to the recordation of the Director's Deed. **An agreement between two or more prospective bidders to set their bid price, or not to submit bids against each other, with the purpose of purchasing these parcels at a more advantageous price or terms, is prohibited.** Where such agreements come to the knowledge of the Department of Transportation, any bids made pursuant to such an agreement **shall be disqualified**.

The above prohibitions do not preclude single bids submitted by one or more persons or entities or both as partners or joint ventures or other similar legally permissible combinations.

The State of California also reserves the right to cancel the sale in part or in its entirety at any time prior to recordation of the Director's Deed. In the event of cancellation of sale and/or rejection of any bids, the affected deposits may be refunded without interest.

All Caltrans employees may bid to acquire excess State property except employees who have direct access to information not generally available to the public or who influence the purchase or sale of right-of-way or other real property.

All information above is to be considered as general information and, as such, should not be relied upon. For more specific and detailed information, please see the detailed description of the specific property you are interested in.