



City of Sacramento City Council

12

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 7/24/2012

Report Type: Consent

Title: Contract: Purchase of Real Property Located at 246-260 Bannon Street (Z14002300)

Report ID: 2012-00522

Location: 246 Bannon Street, District 3

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to execute the Agreement for Acquisition of Real Property in Fee in the amount of \$262,000, and any other related documents, between the City of Sacramento and Vien Nguyen.

Contact: Richard Sanders, Real Property Agent, (916) 808-7034; Dan Sherry, Supervising Engineer, (916) 808-1419

Presenter: None

Department: General Services Dept

Division: Real Estate/Asset Management

Dept ID: 13001551

Attachments:

- 1-Description/Analysis
- 2- Attachment 1-Location Map
- 3- Agreement with Vien Nguyen

City Attorney Review

Approved as to Form
Joe Robinson
7/10/2012 3:41:52 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
7/9/2012 11:36:09 AM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 7/10/2012 12:59:59 PM



Description/Analysis

Issue: The Department of Utilities (DOU) is interested in purchasing three parcels of land, totaling approximately one acre, located at 246-260 Bannon Street. This property is adjacent to the Sacramento River Water Treatment Plant (SRWTP). DOU will use the property as a buffer between Bannon Street and the SRWTP to improve the security of the SRWTP.

Policy Considerations: The recommendation in this report is consistent with the City Council focus areas of public safety, and sustainability and livability by protecting the City's water source.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The Environmental Services Manager has determined that the purchase of real property does not have the potential for causing a significant adverse effect on the environment and is therefore exempt from CEQA review under CEQA Guidelines, Section 15061(b)(3).

Phase 1 and Phase 2 Environmental Site Assessments have been completed on the subject property. Based on the results of these assessments, it has been determined that no soil remediation is required to utilize the property as a security buffer. Minor soil remediation may be required in the future if any activity is undertaken that involves digging into the soil.

Sustainability: The recommendation in this report is consistent with the Sustainability Master Plan goal to protect the sources of water by providing a security buffer between Bannon Street and the SRWTP.

Commission/Committee Action: None

Rationale for Recommendation: DOU is interested in purchasing three parcels of land, totaling approximately one acre, located at 246-260 Bannon Street. This property is adjacent to the SRWTP. DOU will use the property as a buffer between Bannon Street and the SRWTP to improve the security of the SRWTP.

DOU initially attempted to acquire this property in 2002-2003 from a previous owner. However, the City and the previous owner were unable to agree on a purchase price and the property was subsequently sold to the current owner, Vien Nguyen.

Financial Considerations: Sufficient funding exists in the SRWTP Property Acquisition capital improvement project (Z14002300, Water Fund, Fund 6005) to execute the Agreement for Acquisition of Real Property in Fee with Vien Nguyen in the amount of \$262,000.

In 2010 the property was listed for sale on the open market for \$499,000. The City contacted the owner's agent in March 2011 to initiate negotiations for the purchase of the property. Through negotiations, the City and owner have agreed to a purchase price of \$262,000. The purchase price represents the market value of the property as determined by the independent appraisal. Currently the property is improved with a vacant shop building, fencing, and older asphalt paving in some areas. There are no immediate plans by DOU to incur any additional expense to remove

the existing improvements. The property will be secured by the existing fencing and DOU will ensure that the vacant shop building is also secured.

Emerging Small Business Development (ESBD): No goods or services are being purchased as a result of this report.



Requires Council Approval: No YES Meeting: July 24, 2012

General Information

Type: Real Property Purchase

\$ Not to Exceed: \$262,000

Other Party: Vien Nguyen

Project Name: Purchase of Real Property Located at 246-260 Bannon Street

Project Number: Z14002300

Bid Transaction #: N/A

Attachment: None Number:

Original Document Number: N/A

Original Contract Amount: None

Deed: None Included Separate

No. Certified Copies of Agreement: None

E/SBE-DBE-MWBE: N/A

Originating Dept. Information

Department: General Services
Project Mgr: Rich Sanders
Phone Number: 808-7034
Supervisor: Rhonda Lake
Division: Facilities & Real Property Mgmt
Org Number: 13001551
Comment:

Responsible Dept. Information

Department: DOU
Project Mgr: Dan Sherry
Division: Development Services
Division Org Number: 14001341
CIP/Job Number: Z14002300

Review and Signature Routing

Table with columns: Department, Signature or Initial, Date. Rows for Project Mgr, Supervisor, City Attorney (Joe Robinson).

Send Interoffice Mail / Notify for Pick Up

Pre-Authorization table with columns: Signature or Initial, Date. Row for Schwartz, Reina.

Process table with columns: Signature or Initial, Date. Row for City Clerk Pre-Processing.

Authorization table with columns: Signature or Initial, Date. Row for City Mgr.

For City Clerk Processing box containing Finalized, Imaged, Received sections with fields for Initial and Date.

File No.: ACQ- 10-34-03
Project: SRWTP Expansion
PNWO: Z14002300/825741
Parcel No.: 001-0040-014, 001-0040-015,
001-0040-039
Escrow #: 404-8933
Title Company: Placer Title Company
Date of Prelim: May 15, 2012

Grantor: **VIEN NGUYEN, a married man as his sole and separate property**

Grantee: **CITY OF SACRAMENTO, a municipal corporation**

AGREEMENT FOR ACQUISITION OF REAL PROPERTY IN FEE

WHEREAS, the above-named Grantor(s) (hereafter referred to as the "Grantor") owns the property (hereafter referred to as the "Property") described in the deed attached hereto as Exhibit "A" (hereafter referred to as the "Deed"); and

WHEREAS, Grantor desires to convey and the City of Sacramento (hereafter referred to as the "City") desires to acquire fee title to the Property, as described in the Deed on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the payment and other obligations set forth below, Grantor and City mutually agree as follows:

1. Execution and Delivery of Deed. City has opened an escrow with Placer Title Company, 301 University Avenue, Suite 120, Sacramento, CA 95825, (916) 973-3610, Escrow Number 404-8933 (hereafter referred to as the "Escrow Holder). **Upon execution of this Agreement and Deed by Grantor, Grantor shall deliver the Agreement to the City, and the Deed to the Escrow Holder.**

2. Payment/Purchase Price. Upon execution of this Agreement by both parties, City shall tender payment to the Escrow Holder in the amount of **Two Hundred Sixty Two Thousand Dollars (\$262,000.00)**, which is specifically agreed by the parties to be the full amount of compensation due and owing to Grantor for conveyance of the Deed to the City.

3. Fee Title Free of Encumbrances. Grantor agrees and covenants that fee title to the Property shall be conveyed to City free and clear of all rights, restrictions, easements, impediments, encumbrances, liens, assessments or other security interests of any kind (hereafter collectively referred to as "Encumbrances"), and that Grantor at Grantor's expense shall take all actions necessary to remove any and all Encumbrances prior to, and as an express condition precedent to, the close of escrow, except as follows:

A. Taxes for the fiscal year in which the escrow closes shall be cleared and paid for in the manner required by Section 4986 of the Revenue and Taxation Code. As a deduction from the amount shown in Section 2, above, the Escrow Holder shall be authorized to pay any delinquent taxes due in any fiscal year, except the fiscal year

in which this escrow closes, together with penalties and interest thereon; and

B. Grantor shall not be required to remove: (1) easements or rights-of-way for public roads or public utilities, if any; and (2) items specifically identified on Exhibit "B" attached hereto, if any.

4. Escrow. Unless extended by the mutual agreement of both parties, the escrow shall close **ninety (90) days** after execution of this Agreement by both parties;

The Escrow Holder may expend any or all monies payable under this Agreement and deposited into escrow to discharge any obligations which are liens upon the Property, including, but not limited to, those arising from judgments, assessments, delinquent taxes for other than the fiscal year in which the escrow closes, or debts secured by deeds of trust or mortgages, and/or to defray any other incidental costs other than those specified in Section 6 hereof to be borne by the City. The Escrow Holder shall release payment to Grantor, return any credited amounts to City, and record the Deed in the Recorder's Office for Sacramento County upon the close of escrow. Title to the Property described in the Deed shall pass to City immediately upon close of escrow.

This Agreement may serve in whole or in part as escrow instructions. The issuance of any further escrow instructions shall be the sole responsibility of City. The Grantor agrees to execute such additional documents as may be reasonably necessary to consummate the purchase and sale herein contemplated.

5. Title Insurance. City may obtain a CLTA extended coverage owner's policy of title insurance insuring that clear title to the Property is vested in City upon recording of the Deed.

6. Fees. The City shall pay all escrow, recording and title insurance fees incurred in this transaction.

7. Due Diligence Period. City shall have a total of ten (10) days from the date this Agreement is approved by both parties as its due diligence period ("Due Diligence Period"), in which to disapprove of any physical or environmental conditions or aspects of the Property, or any other matter affecting City's decision to purchase the Property, which arise or become known to City during the Due Diligence Period. The Due Diligence Period may be extended by the mutual agreement of both parties. City may enter upon the Property at any time during the Due Diligence Period to perform environmental site assessments, testing, monitoring or any other form of inspection or investigation to ascertain the physical or environmental conditions or aspects of the Property. City shall repair any damage caused by its assessment, testing, monitoring or other inspection or investigation activities on the Property, and the City's indemnification and defense obligations under Section 14 of this Agreement shall apply to such activities.

If, at any time within the Due Diligence Period, City delivers to Grantor written notice of its disapproval of any physical or environmental conditions or aspects of the Property or any other matter affecting City's decision to purchase the Property, Grantor shall have 30 days

from and after the delivery of such notice (unless such time is extended by the mutual agreement of both parties) within which to correct all such disapproved matters ("Cure Period"). If Grantor does not correct such disapproved matters to the satisfaction of the City within the Cure Period, City's exclusive remedies shall be as follows: At City's election, either (1) terminate the Agreement, without any liability on the part of either party and with City receiving a refund of all amounts deposited in escrow, less the City's share of escrow costs and fees, or (2) purchase the Property in accordance with the terms of this Agreement without a reduction in the purchase price and without any liability on the part of Grantor for said disapproved matters. City shall provide Grantor with written notice of City's election to terminate the Agreement or purchase the Property in accordance with this Agreement, as the case may be, not later than five (5) days after the expiration of the Cure Period.

If City does not deliver any written notice of disapproval to Grantor, as specified above, during the Due Diligence Period, City shall purchase the Property in accordance with the terms of this Agreement.

8. Commission. Grantor has retained Chuck Starks, a real-estate broker associated with Gold Valley Investments Inc., in connection with this transaction. Grantor shall pay all commissions, fees, and costs owed to Chuck Starks in connection with this transaction and City shall have no responsibility or obligation of any kind with respect to any such commissions, fees, or costs. Grantor shall defend and indemnify the City against any claims that the City is liable for a sales or real-estate brokerage commission arising from any work or services provided to or for Grantor in connection with this transaction.

9. Eminent Domain. It is mutually understood that the acquisition of the Property by City is for a public purpose, and therefore, the Property is otherwise subject to taking by the power of eminent domain.

10. Just Compensation. Grantor agrees that performance of this Agreement by City, including the payment recited in Section 2, above, shall constitute full and fair compensation and consideration for any and all claims that Grantor may have against City by reason of the acquisition, improvement, possession or occupancy of the Property, and Grantor hereby waives any and all such claims, including claims for severance or taking compensation or damages on account of the acquisition of the Property or the location, establishment, construction or operation of the above-named project on the Property. The foregoing waiver shall include any and all rights or claims that Grantor may have under Article 1, section 19 of the California Constitution, the Eminent Domain Law, or any other law or regulation.

11. No Leases. Grantor warrants that there are no leases on all or any portion of the Property, and the Grantor further agrees to hold the City harmless and reimburse the City for any of its losses and expenses occasioned by reason of any lease of said Property

12. Grantor's Representations. Grantor makes the following representations and warranties:

A. Grantor certifies that it owns full legal title to the Property, and has full power and authority to convey all property rights described herein to City.

B. To the best of Grantor's knowledge there is no suit, action, arbitration, legal, administrative or other proceeding or inquiry pending or threatened against the Property, or any portion thereof, or pending or threatened against Grantor which could (1) affect Grantor's title to the Property, or any portion thereof, (2) affect the value of the Property, or any portion thereof, or (3) subject an owner of the Property, or any portion thereof, to liability.

C. To the best of Grantor's knowledge there are no uncured notices which have been served upon Grantor from any governmental agency notifying Grantor of any violations of law, ordinance, rule or regulation which would affect the Property or any portion thereof.

D. Grantor has no knowledge of the production, storage, disposal, presence, observance or release of any Hazardous Substances (as defined below) in, upon, about or below the Property.

E. To the best of Grantor's knowledge, there are no notices or other information giving Grantor reason to believe that any conditions existing on the Property or in the vicinity of the Property subject or could subject an owner of the Property to potential liabilities under any Environmental Law (as defined below).

F. Grantor has no knowledge of any violation of any Environmental Law arising out of Grantor's ownership or use of the Property, nor of any legal, administrative or other action or proceeding, pending or threatened, affecting the Property and relating to environmental compliance.

G. To the best of Grantor's knowledge there is no license, permit, option, right of first refusal or other agreement, written or oral, which affects the Property or any portion thereof.

H. To the best of Grantor's knowledge conveyance of the property rights described herein will not constitute a breach or default under any agreement to which Grantor is bound and/or to which the Property is subject.

Each of the above warranties and representations is material and is relied upon by City. Each of the above representations shall be deemed to have been made as of the date that the Deed is recorded, and shall survive the recording of the Deed by a period of two years following the date that the Deed is recorded. If, before the recording of the Deed, Grantor discovers any information or facts that would materially change any of these warranties and representations, Grantor shall immediately give notice to City of such facts and information. If any of the foregoing warranties and representations ceases to be true before the recording of the Deed, Grantor shall be obligated either to remedy the problem before the recording of the Deed or deduct from the payments required by Section 2, above, as a credit to City, the amount reasonably required to remedy the problem.

13. Hazardous Substances.

A. **Liability for Hazardous Substances.** The parties acknowledge, understand and agree that any liability associated with the presence of any Hazardous Substances, as defined below, on or adjacent to any portion of the Property shall be governed by the provisions of Section 14 below, regardless of whether any inspection, examination, sampling, testing, assessment or other investigation is conducted by City.

B. **Definitions.**

(1) As used herein, the term "Hazardous Substances" means:

(a) Those substances included within the definitions of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste, or pollutant or contaminant under any Environmental Law, as defined below;

(b) Those substances listed in the United States Department of Transportation Table [49 CFR § 172.101], or by the Environmental Protection Agency, or any successor agency, as hazardous substances [40 CFR Part 302];

(c) Other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state or local laws or regulations; and

(d) Any material, waste, or substance that is

- 1) a petroleum or refined petroleum product,
- 2) asbestos,
- 3) polychlorinated biphenyl,
- 4) designated as a hazardous substance pursuant to 33 USCS §1321 or listed pursuant to 33 USCS §1317,
- 5) a flammable explosive, or
- 6) a radioactive material.

(2) As used herein, the term "Environmental Law" means all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, or pertaining to environmental conditions on, under, or about any of the properties described in this Agreement, as now or may at any later time be in effect, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) [42 USCS §§9601 *et seq.*]; the Resource Conservation and Recovery Act of 1976 (RCRA) [42 USCS §§6901 *et seq.*]; the Clean Water Act, also known as the Federal Water Pollution Control Act (FWPCA) [33 USCS §§1251 *et seq.*]; the

Toxic Substances Control Act (TSCA) [15 USCS §§2601 *et seq.*]; the Hazardous Materials Transportation Act (HMTA) [49 USCS §§1801 *et seq.*]; the Insecticide, Fungicide, Rodenticide Act (7 USCS §§136 *et seq.*); the Superfund Amendments and Reauthorization Act [42 USCS §§6901 *et seq.*]; the Clean Air Act [42 USCS §§7401 *et seq.*]; the Safe Drinking Water Act [42 USCS §§300f *et seq.*]; the Solid Waste Disposal Act [42 USCS §§6901 *et seq.*]; the Surface Mining Control and Reclamation Act [30 USCS §§1201 *et seq.*]; the Emergency Planning and Community Right to Know Act [42 USCS §§11001 *et seq.*]; the Occupational Safety and Health Act [29 USCS §§655 and 657]; the California Underground Storage of Hazardous Substances Act [Health and Safety Code §§25280 *et seq.*]; the California Hazardous Substances Account Act [Health and Safety Code §§25100 *et seq.*]; the California Safe Drinking Water and Toxic Enforcement Act [Health and Safety Code §§24249.5 *et seq.*]; the Porter-Cologne Water Quality Act [Water Code §§13000 *et seq.*], together with any amendments of or regulations promulgated under the statutes cited above, and any other federal, state or local law, statute, ordinance or regulation now in effect or later enacted that pertains to the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

14. Indemnification. Each party (hereafter the "Indemnifying Party") agrees and covenants to indemnify, defend (with counsel acceptable to the other party, which consent shall not be unreasonably withheld), and hold the other party, and its officers, employees and agents, harmless from and against any and all liabilities, penalties, losses, damages, costs, expenses (including reasonable attorneys' fees, whether for outside or staff counsel), causes of action, claims, or judgments that arise by reason of any death, bodily injury, personal injury, property damage, or violation of any law or regulation resulting from any acts or omissions related to the performance of this Agreement or the occupancy or use of the Property (including, but not limited to, the use, storage, treatment, transportation, release, or disposal of Hazardous Substances on or about any portion of the Property), by the Indemnifying Party, its officers, employees, agents or any other person or entity employed by or acting on their behalf.

The parties further agree and understand as follows: a party does not, and shall not be deemed to, waive any rights against the other party which it may have by reason of the aforesaid indemnity and hold harmless agreement because of any insurance coverage available; the scope of the aforesaid indemnity and hold harmless agreement is to be construed broadly and liberally to provide the maximum coverage in accordance with their terms; no specific term or word contained in this Section 14 shall be construed as a limitation on the scope of the indemnification and defense rights and obligations of the parties unless specifically so provided. The provisions of this Section 14 shall survive the recording of any deeds hereunder.

15. Amendment. This agreement may be modified, changed, or rescinded only by an instrument in writing executed by the parties hereto.

16. Attorney Fees. Either party may bring a suit or proceeding to enforce or require performance of the terms of this Agreement, and the prevailing party in such suit or proceeding shall be entitled to recover from the other party reasonable costs and expenses, including attorney's fees.

17. Notices. Any notice that either party may or is required to give the other shall be in writing, and shall be either personally delivered or sent by regular U.S. Mail, to the following address:

To City
Real Estate Services
City of Sacramento
5730 24th Street, Building 4
Sacramento, CA 95822
Attn: Supervisor, Real Estate Services Section

To Grantor
Vien Nguyen
c/o Chuck Starks
Gold Valley Investments Inc
7000 Franklin Blvd Suite 1245
Sacramento CA 95823

18. Recording. Either party may record this Agreement in the Recorder's Office for Sacramento County.

19. Binding on Successors. This Agreement shall be binding on and shall inure to the benefit of the City and Grantor, and their respective successors, assigns, and their past, present and future officers, employees and agents; provided that this Agreement may only be assigned with the written consent of both parties, and any attempt to assign this Agreement without such consent shall be void.

20. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

21. Entire Agreement. The parties have herein set forth the whole of their Agreement. All prior oral discussions, representations, and/or agreements, if any, are specifically superseded by this Agreement, which is intended by the parties to contain all of the terms and conditions agreed to by them with regard to acquisition of the Property by City.

22. Authority. Each individual executing this Agreement on behalf of an entity represents and warrants that he or she has been authorized to do so by the entity on whose behalf he or she executes this Agreement and that said entity will thereby be obligated to perform the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

Grantor(s):
VIEN NGUYEN, a married man as his sole and separate property

By: VIEN NGUYEN
Print Name: Vien Nguyen

Dated: MAY 19, 2012

Grantee:
CITY OF SACRAMENTO, a municipal corporation

By: _____
Print Name: _____
Title: _____
For John F Shirey, City Manager

Dated: _____

RECOMMENDED FOR APPROVAL

By: _____
Real Property Agent

APPROVED AS TO FORM:

By: John
City Attorney

ATTEST:

By: _____
City Clerk

Dated: _____

Exhibit "A"

Deed

RECORDING REQUESTED BY
AND FOR THE BENEFIT OF
CITY OF SACRAMENTO
NO FEE DOCUMENT
Govt Code 27383

WHEN RECORDED MAIL TO

CITY OF SACRAMENTO
Real Estate Services
5730 24th Street, Building 4
Sacramento, California 95822

MAIL TAX STATEMENTS TO

CITY OF SACRAMENTO
915 I Street, 5th Floor
Sacramento, California 95814

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NO TRANSFER TAX DUE per R&T Code 11922
Grantee is a Government Agency

ACQ-10-34-03
City RES File

407-8933
Escrow

001-0040-014, 001-0040-015, 001-0040-039
APN's

City Agreement #

GRANT DEED

Vien Nguyen, a married man as his sole and separate property

hereby grant(s) to

CITY OF SACRAMENTO, a municipal corporation,

all that real property situated in the County of Sacramento, State of California, described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Vien Nguyen, a married man as his sole and separate property

Dated: _____

By: _____
Print Name: Vien Nguyen

"Approved as to form - City Attorney"

EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND DESCRIBED HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SACRAMENTO, CITY OF SACRAMENTO, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE:

THAT PORTION OF SACRAMENTO COUNTY SWAMP LAND SURVEY NO. 926, LOCATED IN SECTIONS 35 AND 36, TOWNSHIP 9 NORTH, RANGE 4 EAST, M.D.B.&M.DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THAT TRACT OF LAND DEEDED BY FREDERICK WARNER, ET UX, THE CITY OF SACRAMENTO, RECORDED JULY 8, 1920, IN BOOK 542 OF DEEDS, AT PAGE 167, LOCATED EAST 556.69 FEET FROM THE SOUTHEAST CORNER OF THAT TRACT OF LAND DESIGNATED AS PARCEL III IN A DEED FROM CHARLES MILES, ET UX, TO HYMAN HARRIS, RECORDED DECEMBER 30, 1929 IN BOOK 275 PAGE 336, OFFICIAL RECORDS AND RUNNING THENCE ALONG SAID NORTH LINE EAST 50.00 FEET, THENCE NORTH 126.43 FEET TO THE SOUTH RIGHT OF WAY LINE OF A 60 FOOT COUNTY ROAD, THENCE ALONG SAID SOUTH RIGHT OF WAY LINE AND 30 FEET SOUTH AT RIGHT ANGLES FROM CENTER LINE THEREOF, WEST 50.00 FEET, THENCE SOUTH 126.43 FEET TO THE POINT OF BEGINNING.

PARCEL TWO:

THAT PORTION OF SACRAMENTO COUNTY SWAMP LAND SURVEY NO. 926, LOCATED IN SECTIONS 35 AND 36, TOWNSHIP 9 NORTH, RANGE 4 EAST, M.D.B.&M.DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THAT TRACT OF LAND DEEDED BY FREDERICK WARNER, ET UX, THE CITY OF SACRAMENTO, RECORDED JULY 8, 1920, IN BOOK 542 OF DEEDS, AT PAGE 167, LOCATED EAST 606.69 FEET FROM THE SOUTHEAST CORNER OF THAT TRACT OF LAND DESIGNATED AS PARCEL III IN A DEED FROM CHARLES MILES, ET UX, TO HYMAN HARRIS, RECORDED DECEMBER 30, 1929 IN BOOK 275 PAGE 336, OFFICIAL RECORDS AND RUNNING THENCE ALONG SAID NORTH LINE EAST 214.52 FEET, THENCE NORTH 126.43 FEET TO THE SOUTH RIGHT OF WAY LINE OF A 60 FOOT COUNTY ROAD, THENCE ALONG SAID SOUTH RIGHT OF WAY LINE AND 30 FEET SOUTH AT RIGHT ANGLES FROM CENTER LINE THEREOF, WEST 214.52 FEET, THENCE SOUTH 126.43 FEET TO THE POINT OF BEGINNING.

PARCEL THREE:

THAT PORTION OF SACRAMENTO COUNTY SWAMP LAND SURVEY NO. 926, LOCATED IN SECTIONS 35 AND 36, TOWNSHIP 9 NORTH, RANGE 4 EAST, M.D.B.&M.DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF THAT TRACT OF LAND DEEDED BY FREDERICK WARNER, ET UX, THE CITY OF SACRAMENTO, RECORDED JULY 8, 1920, IN BOOK 542 OF DEEDS, AT PAGE 167, LOCATED EAST 476.69 FEET FROM THE SOUTHEAST CORNER OF THAT TRACT OF LAND DESIGNATED AS PARCEL III IN A DEED FROM CHARLES MILES, ET UX, TO HYMAN HARRIS, RECORDED DECEMBER 30, 1929 IN BOOK 275 PAGE

EXHIBIT "A"
LEGAL DESCRIPTION *continued*

336, OFFICIAL RECORDS AND RUNNING THENCE ALONG SAID NORTH LINE EAST 80.00 FEET, THENCE NORTH 126.43 FEET TO THE SOUTH RIGHT OF WAY LINE OF A 60 FOOT COUNTY ROAD, THENCE ALONG SAID SOUTH RIGHT OF WAY LINE AND 30 FEET SOUTH AT RIGHT ANGLES FROM CENTER LINE THEREOF, WEST 80.00 FEET, THENCE SOUTH 126.43 FEET TO THE POINT OF BEGINNING.

A.P.N. 001-0040-014, 001-0040-015 AND 001-0040-039

Exhibit "B"

Title exceptions that will not be removed:
as shown in Placer Title Company
Preliminary Report of Title #404-8933,
dated May 15, 2012.

<u>Title Report Exception No.</u>	<u>Description</u>
6	Terms and conditions contained in document pertaining to the River District Redevelopment area.
7	Easement for transmission and distribution of electricity and incidental purposes
8	Neighborhood park maintenance facilities district No. 2002-02, as disclosed by assessment map