AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS ("Agreement") is made and entered into, and effective as of December 18, 2018 ("Effective Date"), by and between San Bernardino County Transportation Authority (SBCTA) ("Buyer"), and City of Redlands, a municiple corporation (City) ("Seller"), with reference and respect to the "Recitals" set forth in paragraphs A. B and C below. Buyer and Seller are sometimes individually referred to herein as "Party" and collectively as "Parties."

RECITALS

- Buyer understands that Seller is the owner in fee simple of certain real property located at East Side of Church Street & approximately 585 feet North of Central Avenue, within the City of Redlands, San Bernardino County, California, designated as Assessor Parcel Number(s) 0170-181-44 and more particularly described in EXHIBIT 1 attached hereto and incorporated herein by this reference ("Property").
- В. Buyer desires to acquire a portion or portions of the Property and an easement on a portion or portions of the Property in connection with the Redlands Passenger Rail Project ("Project"). The Project involves the extension of passenger rail service along an approximately nine-mile corridor extending east from the San Bernardino Transit Center in the City of San Bernardino to the University of Redlands in the City of Redlands, in the County of San Bernardino, State of California. The portion(s) of and/or interest(s) in the Property to be acquired are as follows:
- 1. Fee/Partial Take. The fee interest in that certain portion of the Property consisting of approximately 963 square feet (hereinafter referred to as the "Transfer Portion") and more fully described and depicted in EXHIBIT A and EXHIBIT B to the Grant Deed attached hereto as EXHIBIT 2 and incorporated herein by this reference (hereinafter referred to as the "Grant Deed").
- Permanent Easement. A permanent easement interest (that is, an 2. easement for public street, including public sidewalk and pedestrian, purposes, an easement for emergency, including emergency vehicle, access purposes; hereinafter referred to as the "Permanent Easement") in that certain portion of Property consisting of approximately 30 square feet for public street, including public sidewalk and pedestrian, purposes and in that certain portion of Property consisting of approximately 1,695 square feet for emergency, including emergency vehicle, access purposes (hereinafter referred to as the "Easement Area") and more fully described and depicted in EXHIBITS A and EXHIBITS B to the Permanent Easement Deed attached hereto as EXHIBIT 3 and incorporated herein by reference (hereinafter referred to as the "Easement Deed"), including, without limitation, any and all improvements located thereon, for the purpose of developing, constructing, operating and maintaining the Project.
- Seller is willing to transfer the Transfer Portion and grant the Permanent C. Easement on and subject to the terms set forth in this Agreement, Seller and Buyer hereby acknowledging and agreeing that the Transfer Portion and Permanent Easement are being

acquired (i) for public use and are necessary for the construction, operation and/or maintenance of the Project and (ii) pursuant to this Agreement in lieu of a condemnation action or proceeding and/or an action or proceeding in the nature of eminent domain.

NOW, THEREFORE, in consideration of the foregoing facts and circumstances, the covenants, agreements, representations and/or warranties contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the Parties, the Parties hereto do hereby agree as follows:

TERMS/AGREEMENT

PURCHASE AND SALE.

- 1.1 <u>Transfer Portion and Permanent Easement</u>. Seller agrees to sell the Transfer Portion and Permanent Easement upon and subject to the terms and conditions set forth herein.
- 1.2 <u>Purchase Price</u>. The total purchase price for the Transfer Portion and the Permanent Easement is **SEVENTEEN THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (\$17,500.00)** ("**Purchase Price**"). It is understood and agreed between the Parties that payment of the Purchase Price includes, without limitation, payment for the following improvements, if any, which are considered to be part of the realty and are being acquired by SBCTA in this transaction and, therefore, may be removed and disposed of, without the obligation to replace or pay consideration in addition to that set forth in this Section 1.2: none.
- 1.3 Payment of Purchase Price. At the Closing (defined below), Buyer shall pay to Seller through Escrow (also defined below) the Purchase Price, payable in cash, by cashier's or certified check or by wire transfer.

ESCROW.

- 2.1 Opening of Escrow. Within ten (10) business days following the Effective Date, Seller and Buyer shall open an escrow ("Escrow") for the conveyance of the Transfer Portion and Permanent Easement with Commonwealth Land Title Company, 4100 Newport Place Drive, Suite 120, Newport Beach, CA 92660 ("Escrow Holder"). For purposes of this Agreement, the Escrow shall be deemed open on the first date after the Effective Date that Escrow Holder shall have received a fully executed copy of this Agreement from Seller and Buyer ("Opening of Escrow"). Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened ("Opening Date").
- 2.2 <u>Escrow Instructions</u>. This Agreement constitutes the joint basic escrow instructions of Buyer and Seller for conveyance of the Transfer Portion and Permanent Easement. Either an original or a copy of this Agreement, fully executed by the Parties, shall be delivered to Escrow Holder upon the Opening of Escrow. Buyer and Seller shall execute, deliver and be bound by any reasonable and customary supplemental or additional escrow instructions ("Additional Instructions") of Escrow Holder or other instruments as may be reasonably required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. However, any such Additional Instructions shall not conflict with, amend or supersede any portions of this Agreement unless expressly consented or agreed to in writing by both Seller and Buyer. In the event of any conflict or any inconsistency between this Agreement

and such Additional Instructions, this Agreement shall govern unless otherwise specifically agreed to in writing by the Parties.

- 2.3 Close of Escrow. For purposes of this Agreement, "Closing" means the closing or close of Escrow by the recordation in the Official Records of San Bernardino County. California, of the Grant Deed and the Easement Deed, as well as the disbursement of funds and distribution of any other documents by Escrow Holder, all as described in this Agreement. Subject to the satisfaction of the conditions precedent below, Closing is to occur thirty (30) days following the Opening Date ("Closing Date"); provided, however, that Closing and, therefore, the Closing Date shall be extended as provided in Section 8.6 below; and provided, further, that Closing may occur upon such earlier or later date as the Seller and Buyer mutually agree to in writing or as otherwise provided in this Agreement. Buyer and Seller may mutually agree to change the Closing Date by joint written notice to Escrow Holder. The Closing shall be conditioned upon satisfaction, or written waiver by the Party for whose benefit the condition exists, of all conditions precedent thereto. In the event the Escrow is not in a condition for the Closing to occur by the Closing Date for any reason other than the uncured breach of either Buyer or Seller, then any Party who is not then in default of the terms of this Agreement may terminate this Agreement as provided in Article 6. If no (and until a) notice of termination as provided in Article 6 is received by Escrow Holder, Escrow Holder is instructed to proceed with Closing as soon as possible.
- 2.4 <u>Costs of Escrow.</u> Because of Buyer's status as a public entity, pursuant to California Revenue and Taxation Code Section 11922, no documentary transfer tax will be payable with respect to the conveyance(s) contemplated by this Agreement. Similarly, pursuant to California Government Code Section 27383, no recording fees will be payable with respect to the recording of the Grant Deed and the Easement Deed. Buyer shall pay the reasonable and customary costs of any Title Policy (defined below). Buyer shall pay the Escrow fees and any notary fees attributable to the conveyance of the Transfer Portion and Permanent Easement. Buyer shall also pay the additional costs, if applicable, associated with any title endorsements requested by Buyer. Escrow Holder shall endeavor to provide an estimated Closing costs statement to Buyer and Seller at least three (3) days prior to the Closing Date.
- Buyer's Conditions Precedent to Close of Escrow. The Closing and Buyer's obligation to acquire the Transfer Portion and Permanent Easement and pay the Purchase Price is subject to the satisfaction of the following conditions for Buyer's benefit (or Buyer's waiver thereof, it being agreed that Buyer may waive any or all of such conditions; provided, however, that the occurrence of the Closing shall not waive or release any breach of or failure to perform under this Agreement by Seller not actually known to Buyer on or prior to the Closing Date):
- 2.5.1 Seller shall have tendered into Escrow all payments, if any, and documents required of Seller pursuant to this Agreement.
- 2.5.2 Seller shall have completed in a timely fashion all of Seller's obligations which are to be completed prior to the Closing as provided in this Agreement.
- 2.5.3 Escrow Holder shall have received an irrevocable commitment from the Title Company to issue any Title Policy required pursuant to this Agreement, subject only to the Permitted Exceptions, as set forth in more detail in Article 3 below.

- 2.5.4 All representations and warranties of Seller hereunder shall be true and correct as of the Effective Date and as of the Closing.
- 2.5.5 All property taxes and assessments attributable to the Property to the date of Closing shall have been paid by Seller before delinquency and shall be current as of the Closing; provided, however, that, to the extent the same are available, the Purchase Price proceeds may be used to make such payments.
- 2.5.6 Buyer shall have approved Escrow Holder's estimated Closing costs statement; such approval shall not be unreasonably withheld, conditioned or delayed.
- 2.5.7 Buyer shall have determined that the Transfer Portion and Easement Area are suitable for Buyer's intended use and development, as set forth in more detail in Article 4 below.
- 2.6 <u>Seller's Conditions Precedent to Close of Escrow.</u> The Closing and Seller's obligation to convey the Transfer Portion and Permanent Easement are subject to the satisfaction of the following conditions for Seller's benefit (or Seller's waiver thereof, it being agreed that Seller may waive any or all of such conditions) on or prior to the Closing Date:
- 2.6.1 Buyer shall have tendered into Escrow all payments and documents required of it pursuant to this Agreement.
- 2.6.2 Buyer shall have completed in a timely fashion all of its obligations which are to be completed prior to the Closing as provided in this Agreement.
- 2.6.3 Seller shall have approved Escrow Holder's estimated Closing costs statement.
- 2.7 <u>Buyer's Payments and Documents.</u> Not less than one (1) day prior to Closing, Buyer shall pay or tender (as applicable) to Escrow Holder the following-described funds and documents (in recordable form, as necessary or appropriate):
 - 2.7.1 The Purchase Price.
- 2.7.2 Funds required to pay the Escrow fees, recording fees and notary fees attributable to the conveyance of the Property as well as the costs of any Title Policy, and the additional costs, if applicable, associated with any title endorsements requested by Buyer payable by Buyer pursuant to Section 2.4 of this Agreement.
- 2.7.3 Funds required to pay any additional reasonable charges customarily charged to buyers in accordance with common escrow practices in San Bernardino County.
- 2.7.4 Certificates accepting the Grant Deed and Easement Deed and consenting to recording of same.
- 2.7.5 Such other documents and funds required of Buyer under this Agreement and, to the extent reasonable, customary or usual, by Escrow Holder in the performance of its contractual or statutory obligations.

- 2.8 <u>Seller's Payments and Documents</u>. No less than one (1) day prior to Closing, Seller shall pay or tender (as applicable) to Escrow Holder the following-described funds and documents (in recordable form, as necessary or appropriate):
- 2.8.1 The fully-executed and acknowledged Grant Deed and Easement Deed.
- 2.8.2 A FIRPTA (Foreign Investment in Real Property Tax Act) Certificate/Non-Foreign Status Affidavit complying with Federal laws, rules and requirements and an appropriate California Form 593 (for example, Form 593-C); Buyer's failure to provide either instrument shall result in tax withholding, payment and the like in accordance with applicable laws, rules and regulations.
- 2.8.3 Such other documents and funds required of Seller under this Agreement and, to the extent reasonable, customary or usual, by Escrow Holder in the performance of its contractual or statutory obligations, including, without limitation, such instruments as are required in connection with the issuance of any Title Policy, such as a seller's statement, owner's affidavit, gap indemnity and the like.
- 2.9 <u>Escrow Holder Responsibilities</u>. Upon the Closing, Escrow Holder is authorized and instructed to:
- 2.9.1 Cause the satisfaction and removal of all exceptions to title to the Transfer Portion representing monetary liens or encumbrances and, with respect to the Permanent Easement, obtain consents and subordination agreements from the holders of such liens or encumbrances, sufficient to assure that the Permanent Easement is both permitted and not junior or subordinate to any lien or encumbrance which, through foreclosure, could cause a loss of the easement rights represented by the Easement Deed. If Seller elects to satisfy and remove any such exceptions from funds otherwise payable to Seller through Escrow, before such payments or charges are made, Escrow Holder shall notify Seller of the terms necessary to satisfy and remove such monetary liens or encumbrances, and Seller shall approve the disbursement of necessary funds.
- 2.9.2 Pay, and charge Buyer and/or Seller, as appropriate, for any fees, charges and costs payable under this Agreement, including, but not limited to, Sections 2.7 and 2.8 above. Before such payments or charges are made, Escrow Holder shall notify Buyer and Seller of the fees, charges and costs necessary to clear title and proceed with Closing.
- 2.9.3 Record the Grant Deed and Easement Deed, as well as any other instruments, as appropriate, delivered through Escrow.
- 2.9.4 Subject to Subsection 2.8.3 above, withhold from funds otherwise payable to Seller at Closing such amount as Buyer is required to withhold therefrom pursuant to the following: (i) California Revenue and Taxation Code Section 18662 (i.e., 3 1/3% of the total sales price) and timely submit such sums to the California Franchise Tax Board, unless Buyer is relieved of such withholding requirements under the provisions of said Section 18662; and (ii) Federal laws, rules and/or regulations, including, without limitation, those identified in Subsection 2.8.2 and timely pay over such funds to the appropriate Federal agency or authority, unless Buyer is relieved of such withholding requirements under the provisions of such laws,

rules and regulations by Seller's provision of (and Seller actually provides) an appropriate affidavit(s) and/or statement(s). Further, deliver to each Party copies of all such withholding forms, affidavits and/or certificates.

- 2.9.5 Disburse such other funds and deliver such other documents to the Party or Parties entitled thereto.
 - 2.9.6 Cause any Title Policy to be issued.
- 2.10 Notices. All communications from Escrow Holder to either Buyer or Seller shall be directed to the addresses and in the manner established in Section 8.1 below for notices, demands, and communications between Buyer and Seller.

TITLE.

- benefit that the Transfer Portion and Easement Area be subject only to the Permitted Exceptions and that the Easement Deed be superior to any lien or encumbrance which, through foreclosure or other enforcement, could cause the Permanent Easement to be wiped out as a junior encumbrance. At, and as a condition of, Closing for Buyer's benefit, Commonwealth Land Title Company, 4100 Newport Place Drive, Suite 120, Newport Beach, CA 92660 ("Title Company") shall be prepared to issue to Buyer, upon Closing, a policy of title insurance (whether a CLTA, ALTA or ALTA extended coverage policy, as determined by Buyer, the "Title Policy") in an amount equal to the Purchase Price, showing the Transfer Portion and the Easement Area subject only to the Permitted Exceptions and the Easement Deed, including the easement(s) granted thereunder, as senior to any monetary lien or encumbrance which, through foreclosure or other enforcement, could cause the Easement Deed, including the easement(s) granted thereunder, to be wiped out. Escrow Holder shall cause Title Company to issue the Title Policy to Buyer upon the occurrence of the Closing.
- 3.2 <u>Permitted Exceptions</u>. The term "**Permitted Exceptions**" as used herein shall mean the following conditions and exceptions to title or possession:
- 3.2.1 A lien to secure payment of general and special real property taxes and assessments, not delinquent.
- 3.2.2 A lien of supplemental taxes assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code accruing on or after the Closing; provided, however, that, notwithstanding anything contained in this Agreement to the contrary, Seller shall be responsible and liable for all taxes that relate to any period prior to the Closing, including, without limitation, supplemental taxes which are not assessed or charged and/or which do not become due or owing until after the Closing.
- 3.2.3 Matters affecting the condition of title created by or with the consent of Buyer.
- 3.2.4 Other exceptions to title disclosed by the Title Report (as defined in Section 3.3 below) which have been approved in writing by Buyer prior to the Closing.

- 3.2.5 Any other exceptions to title which are or will become subordinate to the Easement Deed as reflected in the Title Policy pursuant to subordination agreements acceptable to Buyer and the Title Company.
- 3.3 <u>Title Report</u>. Buyer shall endeavor to obtain and provide to Seller, within fifteen (15) calendar days following the Opening of Escrow or as soon as reasonably possible thereafter, a standard preliminary report from the Title Company, together with copies of the underlying documents relating to the Schedule B exceptions set forth in such report (collectively, the "Title Report").

SUITABILITY AND CONDITION OF PROPERTY.

- Conditions. It is a condition precedent to the Closing for Buyer's benefit that Buyer has determined that the Transfer Portion and Easement Area are suitable for Buyer's intended use, as determined by Buyer in its sole discretion. Prior to the Closing Date, Buyer shall determine whether the Transfer Portion and Easement Area are suitable and shall provide to Seller and Escrow Holder its written notice of such determination; provided, however, that any failure of Buyer to provide notice shall be deemed approval; and, in connection with any disapproval, Buyer may, but need not, include its election to extend the Closing Date as provided in Section 8.6 below. In the event Buyer determines that the Transfer Portion and Easement Area are suitable, such determination by Buyer shall not alter or diminish Seller's covenants, agreements, representations and/or warranties made herein or under law, unless a representation or warranty is expressly and specifically waived in writing in whole or in part by Buyer. In the event Buyer determines that the Transfer Portion and Easement Area are, or any of them is, not suitable, then Buyer may terminate this Agreement as provided in Section 6.1 below.
- Inspections, Testing and Right of Entry. Prior to Closing, Buyer may 4.2 conduct, at Buyer's sole expense, such inspections and testing of the Transfer Portion and/or Easement Area, including, without limitation, any improvements thereon, as Buyer may desire or deem appropriate, in Buyer's sole discretion, to determine the suitability of the Transfer Portion and Easement Area for Buyer's intended use. In conducting such inspections and testing, Buyer shall endeavor to minimize damage to the Transfer Portion and Easement Area, as well as any improvements thereon, and shall, in the event the Closing fails to occur as the result of a condition outside of Buyer's control, return the Transfer Portion and Easement Area, including the improvements thereon, to its condition prior to the inspections and testing, except that Buyer shall have no responsibility or liability for returning the Transfer Portion and Easement Area to their prior condition to the extent that any change or modification resulted from (i) reasonable wear and tear, (ii) force majeure or (iii) any other cause not within the reasonable control of Buyer, including, without limitation, the acts or omissions of any person or entity other than Buyer and/or its Representatives. Seller hereby grants to Buyer and its Representatives permission and a license to enter upon the Transfer Portion and Easement Area at all reasonable times prior to the Closing Date for the purpose of conducting such inspections and testing. In the event the Transfer Portion and/or Easement Area is occupied by any person(s) other than Seller. Seller shall make arrangements with such person(s) to ensure access by Buyer, including, without limitation, Buyer's Representatives, in order to conduct the inspections and testing pursuant to this Section 4.2.

SELLER'S ACKNOWLEDGMENT AND GENERAL RELEASE.

- 5.1 Full Satisfaction. Seller acknowledges that, in accordance with applicable provisions of California law, Seller may be entitled to the payment of relocation expenses, payments for loss of goodwill, inverse condemnation, unlawful pre-condemnation conduct, and other benefits and reimbursements other than and/or in addition to those expressly provided for in this Agreement (collectively, "Benefits") in connection with Buyer's acquisition of the Transfer Portion and Easement Area as well as the other matters covered herein. Seller acknowledges and agrees that payment and receipt of the Purchase Price includes, without limitation, full payment of, for and with respect to the Benefits, including, without limitation, just compensation, lease bonus value, business goodwill, furniture, fixtures and equipment, precondemnation damages, claims of inverse condemnation, attorneys' fees, costs, interest, and any and all other damages in complete settlement of all claims (known and unknown), causes of action and demands of Seller against Buyer because of Buyer's purchase of the Transfer Portion and Permanent Easement and for any and all claims (known and unknown) arising from or relating to the purchase and sale which is the subject of this Agreement. Consistent with the foregoing as well as Section 9.2 below, Seller, on behalf of itself and its heirs, executors, administrators, successors and assigns, acknowledges that Buyer's performance under this Agreement constitutes full and complete satisfaction of Buyer's obligations to provide the Benefits to Seller and to compensate Seller not only for the purchase of the Transfer Portion and Easement Area, but also for construction and/or operation of the Project.
- 5.2 Waivers and Releases. Seller hereby waives, to the maximum legal extent, any and all claims, demands, remedies and causes of action for damages, liabilities, losses, injuries, costs and/or expenses, including attorneys' fees, arising out of, resulting from or related to Buyer's acquisition of the Transfer Portion and Easement Area, whether known or unknown, foreseeable or unforeseeable, including, without limitation, construction and/or operation of the Project. The Parties hereto agree that this Agreement is a settlement of claims in order to avoid litigation and shall not, in any manner, be construed as an admission of the fair market value of the Transfer Portion and/or Easement Area, or of any liability by any Party. Seller on behalf of Seller as well as Seller's heirs, executors, administrators, successors and assigns, hereby fully releases Buyer, its successors, assigns and Representatives, and all other persons and entities, known and unknown, from any and all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of (i) Buyer's purchase of the Transfer Portion and Permanent Easement (including, without limitation, any and all rights thereunder as well as in and to the Easement Area) or any preliminary steps thereto or (ii) the construction and/or operation of the Project, including, without limitation, its construction, reconstruction, development, redevelopment, operation, maintenance, repair, existence and use.

5.3 <u>California Civil Code Section 1542</u>. Seller hereby acknowledges that it has consulted or had an opportunity to consult with legal counsel regarding, and represents and warrants that it is familiar with, California Civil Code Section 1542, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Seller acknowledges that with respect to the sale of the Transfer Portion and Easement Area under or pursuant to the Easement Deed to Buyer or the construction and/or operation of the Project, Seller may have sustained damages, losses, costs and/or expenses which are presently unknown and unsuspected, and such damages, losses, costs and/or expenses which may have been sustained may give rise to additional damages, losses, costs and/or expenses in the future. Nevertheless, Seller hereby represents, warrants, acknowledges and agrees that this Agreement has been negotiated and agreed upon in light of that situation, and hereby waives, to the maximum legal extent, any rights accruing to it under said Section 1542 or any other statute or judicial decision of similar effect.

The foregoing acknowledgment and release shall survive the Closing as well as the recording of the Grant Deed and Easement Deed.

5.4 <u>Notice to Others</u>. If Seller sells, transfers, assigns or otherwise conveys the Property or any interest in the Property, Seller shall notify the purchaser, successor, assignee or other transferee of the existence and terms of this Agreement, including, without limitation, the Easement Deed and the obligations, liabilities and duties as well as the rights and remedies of the Parties. Neither Buyer nor any other person or entity shall have any obligation, liability or duty to compensate any purchaser, successor, assignee or other transferee for the interests, rights and remedies granted to or obtained by Buyer under or pursuant to this Agreement or justifying the Permanent Easement.

TERMINATION, DEFAULTS AND REMEDIES.

Exercise of Rights to Terminate. In the event Buyer elects to exercise its right to terminate this Agreement and the Escrow as provided in Section 2.3, 6.3 or 8.5, then Buyer may so terminate by giving notice, in writing, of such termination to Seller and Escrow Holder. In the event Seller elects to exercise its rights to terminate this Agreement and the Escrow as provided in Section 2.3 or 6.2, then Seller may so terminate by giving notice, in writing, of such termination to Buyer and Escrow Holder. In either such event, the Party so terminating shall, except as otherwise expressly provided in Section 6.2 or 6.3 below, pay all Escrow Holder and Title Company termination fees and charges (collectively, "Termination Costs"). Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting the obligation of the Party so terminating or breaching, as appropriate, to pay Termination Costs as provided herein and any other obligations which expressly survive termination, shall cease and terminate.

- 6.2 <u>Buyer's Breach</u>. In the event Buyer breaches any obligation under this Agreement which Buyer is to perform prior to the Closing, and fails to cure such breach within five (5) business days of receipt of written notice of such breach from Seller, then Seller, as its sole and exclusive remedy, may terminate this Agreement and the Escrow by giving notice, in writing, of such termination to Buyer and Escrow Holder. In such event, Buyer shall pay all Termination Costs. Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting for Buyer's obligation to pay Termination Costs as provided in this Agreement and any other obligations which expressly survive termination shall cease and terminate.
- 6.3 <u>Seller's Breach</u>. In the event Seller breaches any obligation under this Agreement which Seller is to perform prior to the Closing, and fails to cure such breach within five (5) business days of receipt of written notice of such breach from Buyer, then, (a) in addition to pursuing any other rights or remedies which Buyer may have at law or in equity, including, without limitation, any and all damages resulting from such breach, (b) Buyer may, at Buyer's option, (i) terminate this Agreement and the Escrow by giving notice, in writing, of such termination to Seller and Escrow Holder, or (ii) initiate and prosecute an action for specific performance of this Agreement. Should Buyer elect to terminate this Agreement and the Escrow as provided herein, then Seller shall pay all Termination Costs and, upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting (1) Seller's obligations and liabilities resulting or accruing as a result of or pursuant clause (a) above in this Section 6.3, (2) Seller's obligation to pay Termination Costs as provided in this Agreement and (3) any other obligations that expressly survive termination, shall cease and terminate.
- 6.4 Return of Funds and Documents; Release of Liability as to Escrow Holder. In the event Escrow Holder terminates this Escrow as a result of having received notice, in writing, from Buyer or Seller of its election to terminate the Escrow as provided herein, then Escrow Holder shall terminate the Escrow and return all funds, less Termination Costs, as appropriate, and documents to the Party depositing the same. Further, the Parties hereby release Escrow Holder, and shall hold Escrow Holder free and harmless, from all liabilities associated with such termination excepting for Escrow Holder's obligations to return funds and documents as provided herein.

REPRESENTATIONS AND WARRANTIES.

- 7.1 <u>Seller's Representations and Warranties.</u> Seller hereby represents, warrants, covenants and agrees to and for the benefit of Buyer that the following statements are true and correct as of the Effective Date, and shall be true and correct as of Closing, and Seller acknowledges and agrees that the truth and accuracy of such statements shall constitute a condition precedent to all of Buyer's obligations under this Agreement:
- 7.1.1 Authority. Seller owns the Property in fee simple and has full power and authority to sell, transfer and/or otherwise convey the Transfer Portion and Permanent Easement to Buyer and to perform its obligations pursuant to this Agreement. This Agreement and all other documents delivered by Seller to Buyer under or pursuant to this Agreement, at or prior to the Closing, have been, or will be, duly executed and delivered by Seller and are, or will be, legal, valid and binding obligations of Seller, sufficient to convey the Transfer Portion and Permanent Easement to Buyer and are enforceable in accordance with their respective terms.

- 7.1.2 No Unrecorded Possessory Interests; No Agreements or Undertakings. Other than as is disclosed or covered by Subsections 7.1.4 and 7.1.5 below, there are no agreements for occupancy in effect for the Property, including the Transfer Portion and/or Easement Area, and no unrecorded possessory interests or unrecorded agreements that would adversely affect Buyer's use of the Transfer Portion and/or Easement Area. Seller will not enter into any agreements or undertake any obligations prior to Closing which will in any way burden, encumber or otherwise affect the Transfer Portion and/or Easement Area without the prior written consent of Buyer, including, without limitation, any agreements for occupancy or use of the Property.
- 7.1.3 No Liens or Encumbrances. Other than as is disclosed and covered by Subsections 7.1.4 and 7.1.5 below, the Property, including the Transfer Portion and Easement Area, is free and clear of and from liens or encumbrances that could interfere with the intended use by Buyer; and, therefore, Buyer shall quietly enjoy its rights in and to the Transfer Portion and Easement Area as well as under the Grant Deed, Permanent Easement and Easement Deed, without disturbance or inference by Seller or anyone claiming by, through or under Seller.
- 7.1.4 No Leases. The Property, including the Transfer Portion and Easement Area, is not subject to a written or oral lease or any other contract or agreement pursuant to which a tenant or any other person has any rights of possession or use that conflict with this Agreement or the Grant Deed and/or the Easement Deed, including, without limitation, the Permanent Easement, except that (or those) certain lease(s), contract(s), and/or agreement(s) described as follows: None. As to any such lease, contract, or agreement, Seller acknowledges and agrees that a consent or release from such holder, in form and substance satisfactory to Buyer, will, unless Buyer otherwise elects in writing, be required; Seller agrees to assist Buyer in securing said consent or release; and Seller acknowledges and agrees that Buyer's payment of the consideration set forth herein to Seller is subject to Buyer receiving or waiving in writing the requirement of receiving said consent.
- 7.1.5 Mortgage or Deed of Trust. If the Property is encumbered by a mortgage(s), deed(s) of trust and/or other security instrument(s), Seller shall be responsible and liable for payment of any demand under any authority of such security instrument(s) out of Seller's proceeds or otherwise. Such amounts may include, but are not be limited to, payments of unpaid principal and interest. If the Property is encumbered by a mortgage(s), deed(s) of trust or other security instrument(s), Seller understands that Buyer shall seek and may require the partial release by and/or consent of the holder(s) of the security instrument(s) to the Grant Deed and/or the Easement Deed, including the subordination of the encumbrance(s) to the Permanent Easement, in form and substance satisfactory to Buyer, to preserve the permanence and/or survival of the Permanent Easement. Seller agrees and consents to the subordination of the security instrument(s) and will cooperate with Buyer in seeking the consent(s) and/or subordination(s); and Seller acknowledges and agrees that, notwithstanding anything contained in this Agreement to the contrary, Buyer's payment of the consideration set forth herein is subject to Buyer receiving or waiving in writing the requirement of receiving said consent(s) and/or subordination(s).
- 7.1.6 <u>Hazardous Materials</u>. Seller is aware of and shall comply with its obligation under California Health and Safety Code Section 25359.7 to disclose information to Buyer regarding the environmental status of the Property. To Seller's knowledge, the Property and any contiguous real property owned by Seller is not in violation of any federal, state or local

statute, regulation or ordinance relating to industrial hygiene or to environmental conditions on, under or about the Property, including, without limitation, soil and groundwater conditions underlying the Property which could affect the Property, including, without limitation, the Transfer Portion and Easement Area, or its use. Neither Seller, nor, to Seller's knowledge, any other person or predecessor in interest, has used, generated, manufactured, stored or disposed of on, under or about the Property, or transported to or from the Property, any "Hazardous Materials" as defined in any state, federal or local statute, ordinance, rule or regulation applicable to the Property, including, without limitation, any flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances, as well as any substance whose nature and/or quantity of existence, use, manufacture, disposal or effect render it subject to Federal, state or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare.

- 7.1.7 <u>Litigation</u>. There are no claims, actions, suits or proceedings continuing, pending or, to Seller's knowledge, threatened (i) against or affecting Seller or the Property, or (ii) involving the validity or enforceability of this Agreement or of any other documents or instruments to be delivered by Seller at Closing, in either case, whether at law or in equity, or before or by any federal, state, municipal or other governmental department, board, commission, bureau, Buyer or instrumentality. Seller is not subject to, or in default under, any notice, order, writ, injunction, decree or demand of any court or any governmental department, board, commission, bureau, Buyer or instrumentality.
- 7.1.8 No Breach. The execution and delivery of this Agreement and the consummation of the transaction(s) contemplated by this Agreement will not violate or result in any breach of or constitute a default under or conflict with, or cause any acceleration of any obligation with respect to any provision or restriction of any lien, lease, agreement, contract, instrument, or, to Seller's knowledge, any order, judgment, award, decree, statute, regulation or ordinance, or any other restriction of any kind or character to which Seller is a party or by which Seller or the Property are bound.
- 7.1.9 No Condemnation or Other Proceedings. Exclusive of any action proposed or contemplated by Buyer, Seller is not aware of any contemplated condemnation of the Property or any portion thereof by any public agency, authority or entity. Buyer has negotiated in good faith to acquire the Transfer Portion and Permanent Easement and to pay just compensation for their acquisition. Seller understands that, if the transaction(s), including, without limitation, the acquisition(s), set forth in and/or contemplated by this Agreement had not been (or are not) successful, then staff for Buyer may have recommended (or may recommend) initiation of eminent domain proceedings to acquire the Property and/or interests therein and/or portions thereof.
- 7.2 Survival of Representations and Warranties. Seller acknowledges and agrees that the covenants, agreements, representations and warranties of Seller set forth in this Agreement shall be true and correct on and as of the Effective Date as well as the Closing, and Seller's liability for any breach, default or failure of the same, including, without limitation, any misrepresentation, shall survive not only the recordation of the Grant Deed and Easement Deed, but also the Closing. Seller shall protect, indemnify, defend, and hold Buyer free and harmless of, from and against any and all claims, demands, losses, liabilities, obligations, damages, costs and expenses, including, without limitation, reasonable attorneys' fees, court costs and litigation

expenses, which Buyer may incur, suffer or sustain by reason of or in connection with any misrepresentation made by Seller pursuant to this Article 7.

OTHER.

8.1 Notices and Demands. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the address(es) provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

To Buyer: San Bernardino County Transportation Authority

Attn: Andres Ramirez, PMP

Project Office

1170 W. 3rd Street, 2nd Floor

San Bernardino, California 92410-1715

Telephone: (909) 884-8276 Facsimile: (909) 885-4407

To Seller:

City of Redlands

Attn: Jeanne Donaldson

P.O. Box 3005

35 Cajon Street, Suite 222 Redlands, California 92373

Telephone: ______Facsimile: _____

8.2 Indemnity by Seller. Seller hereby agrees, after the Closing, at Seller's sole cost and expense, to indemnify, protect, defend (with counsel of Buyer's choice), and hold Buyer, its successors and assigns, officers and/or directors, harmless from and against any and all claims, demands, damages, losses, liabilities, obligations, penalties, fines, actions, causes of action, judgments, suits, proceedings, costs, disbursements and expenses (including, without limitation, attorneys' and experts' reasonable fees and costs) of any kind or nature whatsoever which may at any time be imposed upon, incurred or suffered by, or asserted or awarded against, Buyer, or Buyer's successors and assigns, officers and/or directors relating to or arising from (i) the Property or Seller's ownership or operation thereof on or before the Closing, (ii) the use on or before the Closing of the Property by Seller or any third party, including, without limitation, any tenant, invitee or licensee of Seller, (iii) any breach of any covenant, agreement, representation or warranty of Seller contained in this Agreement, (iv) the presence, use, handling, storage, disposal or release on or before the Closing of Hazardous Materials on, under or about the

Property caused by Seller, and (v) Seller's violation of any federal, state, or local law, ordinance or regulation, occurring or allegedly occurring with respect to the Property prior to the Closing. This indemnity by Seller herein contained shall survive the Closing and the recordation of the Grant Deed and Easement Deed.

8.3 Entry, Possession, Use, Construction and Operation.

- 8.3.1 Upon execution of this Agreement by Buyer and Seller, and deposit of funds in the amount of the Purchase Price into Escrow, Buyer shall have the right of possession and use of the Transfer Portion and Easement Area, including, without limitation, the right to remove and dispose of improvements thereon, thereat and/or thereto and construct the Project. The foregoing agreement of Seller shall survive the Closing, including, without limitation, the recording of the Grant Deed and Easement Deed, or, at Buyer's election, the termination of this Agreement by either Party (whether Seller or Buyer) for any reason, including, without limitation, a breach by the other Party and/or the return of the Purchase Price deposit by Escrow Holder to Buyer on termination of this Agreement; and, if Buyer elects that the same shall survive, Buyer's rights shall be as set forth in the right of entry, possession and use provisions attached hereto as EXHIBIT 4.
- 8.3.2 Buyer makes no representation, warranty, covenant or agreement that the Project shall be constructed or operated; and Seller acknowledges and agrees that no obligation, liability or duty whatsoever shall exist or be incurred by Buyer or any other person or entity to Seller or any other person or entity as a result of any failure to construct or operate the Project for any reason. The foregoing agreement of Seller shall survive the Closing, including, without limitation, the recording of the Grant Deed and Easement Deed, or the termination of this Agreement by either party (whether Seller or Buyer) for any reason, including a breach by the other party.
- 8.4 Brokers and Sales Commissions. Buyer will not be responsible or liable for, and will not be required to pay, any sales or brokerage commissions and/or finder's fees for which Seller has incurred any obligation with respect to the transaction which is the subject of this Agreement. Seller shall indemnify, protect, defend and hold harmless Buyer and its successors and assigns hereunder from and against any and all claims, demands, liabilities, obligations, losses, damages, costs and expenses, including, without limitation, reasonable attorneys' fees, court costs and litigation expenses, arising as of, resulting from or in connection with or related to any sales or brokerage commissions, finder's fees or other commissions which are (or are claimed to be) payable in connection with the transaction which is the subject of this Agreement by reason of the actions (or alleged actions) of Buyer. Seller's obligations, liabilities and duties under this Section 8.4 shall survive the Closing or the termination of this Agreement.
- 8.5 <u>Damage or Destruction</u>. Should the Property be materially damaged or destroyed by fire, earthquake or other event without the fault of either Party, this Agreement may be rescinded and terminated by Buyer; and, in such event, Buyer may reappraise the Property or any part of it Buyer desires to acquire and make an offer thereon.
- 8.6 Extension of Closing and Closing Date. Buyer may, upon written notice to Seller, extend the Closing Date and, therefore, the Closing for a reasonable period in order to satisfy or to provide time for others to satisfy the conditions to Closing in favor of Buyer set forth in this Agreement, including, without limitation, the following: (i) that, in accordance with

Subsection 2.5.3 and Article 3 above, the Transfer Portion and Easement Area are subject only to the Permitted Exceptions and that title to the same are otherwise acceptable to Buyer; (ii) that, in accordance with Subsection 2.5.7 and Article 4 above, Buyer has determined that the Transfer Portion and Easement Area are suitable for Buyer's intended use; and (iii) that, in accordance with Subsection 2.5.4 and Article 7 above, Seller's representations and warranties are true and accurate and Buyer has received any consent(s), release(s) and/or subordination(s) required or contemplated by Subsections 7.1.4 and 7.1.5 above.

INCORPORATION OF RECITALS; WHOLE AGREEMENT.

- 9.1 Recitals. The preamble at the beginning of this Agreement as well as the Recitals set forth in paragraphs A, B and C immediately after the preamble are hereby incorporated into this Agreement as if set forth in full in this Section 9.1.
- 9.2 Whole Agreement. Consistent with Section 10.17 below, the Parties hereto acknowledge and agree that they have set forth the whole of their agreement in this instrument. Consistent with Sections 5.1, 5.2 and 5.3 above, the performance of this Agreement by SBCTA constitutes the entire consideration for the Transfer Portion and Permanent Easement, including, without limitation, the Grant Deed and Easement Deed, and shall release and relieve Buyer of and from any and all other and further claims, demands, obligations, liabilities and duties on this account or on account of the location, grade, construction, and operation of the Project.

MISCELLANEOUS.

- 10.1 <u>Survival of Covenants</u>. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the Closing as well as the recordation of the Grant Deed and Easement Deed.
- 10.2 Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use commercially reasonable efforts to accomplish the Closing in accordance with the provisions of this Agreement.
- 10.3 <u>Time of Essence</u>. Time is of the essence of each and every term, condition, obligation and provision of this Agreement.
- 10.4 <u>Counterparts; Copies</u>. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. Except as required for recordation, the parties as well as Escrow Holder and Title Company shall accept copies of signatures, including, without limitation, electronically transmitted (for example, by e-mail, facsimile, PDF or otherwise) signatures.
- 10.5 <u>Captions</u>. Any captions to, or headings of, the articles, sections, subsections, paragraphs, or subparagraphs or other provisions of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision of this Agreement.

- 10.6 No Obligations to Third Parties. Except as otherwise expressly provided in this Agreement, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties to, any person or entity other than the Parties.
- 10.7 <u>Exhibits</u>. The Exhibits attached to this Agreement are hereby incorporated into this Agreement by this reference.
- 10.8 <u>Waiver</u>. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision of this Agreement.
- 10.9 Governing Law; Venue. This Agreement shall be construed in accordance with the laws of the State of California. Any and all legal actions brought to enforce or interpret the terms and provisions of this Agreement shall be commenced exclusively in a court of competent jurisdiction in the County of San Bernardino.
- 10.10 <u>Buyer's Assignment</u>. Buyer shall have the right, in its sole discretion, to assign this Agreement as well as its rights and remedies in, to and under the Grant Deed and Permanent Easement/Easement Deed, and any right or obligation herein and therein, to any party of its choice without the prior consent or approval of Seller.
- 10.11 <u>Successors and Assigns</u>. This Agreement as well as the Grant Deed and Easement Deed shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties.
- 10.12 <u>Ratification</u>. This Agreement is subject to the approval and ratification by the Buyer's governing body or its delegated representative.
- 10.13 <u>Severability</u>. If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected.
- 10.14 Construction. This Agreement will be liberally construed to effectuate the intention of the Parties with respect to the transaction(s) described herein. In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, neither this Agreement nor any uncertainty or ambiguity herein will be construed or resolved against either Party (including the Party primarily responsible for drafting and preparation of this Agreement), under any rule of construction or otherwise, it being expressly understood and agreed that the Parties have participated equally or have had equal opportunity to participate in the drafting thereof.
- 10.15 Legal Fees. Each Party shall be responsible for payment of its own attorneys' fees with respect to negotiation and preparation of this Agreement and processing of the Escrow. However, in the event of the bringing of any action or proceeding to enforce, interpret or construe any of the provisions of this Agreement, including, without limitation, seeking damages as a result of breach of this Agreement, the prevailing Party in such action or proceeding, whether by final judgment or out of court settlement, shall be entitled to have and recover of and from the other Party all costs and expenses of suit, including actual attorneys' fees.

10.16 Entire Agreement; Amendment. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and (together with the Grant Deed and Easement Deed) contains the entire agreement between Buyer and Seller as to the subject matter hereof. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date(s) set forth below next to their respective signatures.

[Signatures on the following pages]

SIGNATURE PAGE TO AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

Date:3/ ₇ / ₁ 9	BUYER:
	San Bernardino County Transportation Authority
	By: Ly W.J. Raymond W. Wolfe, Ph.D. Executive Director
	APPROVED AS TO FORM: Rick Rayl SBCTA Legal Counsel
Date: 1/15/19	SELLER:
	City of Redlands, a municipal corporation By:
	Name: Paul W. Foster
	Title: Mayor
	ATTEST: Jeanne Donaldson, City Clerk

EXHIBIT LIST

Exhibit 1 - Legal Description of Property [APN(s): 0170-181-44]

Exhibit 2 - Grant Deed

Exhibit 3 -Easement Deeds

Exhibit 4 - Entry, Possession and Use Provisions

EXHIBIT 1 TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Legal Description of Property [APN(s): 0170-181-44]

All that certain real property situated in the County of San Bernardino, State of California, described as follows:

PARCEL 1:

LOTS 11 AND 12 OF BLOCK 3, LUGONIA HEIGHTS, IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER HAP RECORDED IN BOOK 8, PAGE 12 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ANY PORTION IF ANY LYING WITHIN THE RIGHT OF WAY OF CALIFORNIA CENTRAL RAILWAY COMPANY, AS CONVEYED BY DEED RECORDED SEPTEMBER 27, 1897, IN BOOK 62; PAGE 630 OF DEEDS.

PARCEL 1A:

ALL RIGHT, TITLE AND INTEREST OF THE GRANTOR IN AND TO THE LAND UNDERLYING THAT PORTION OF LUGONIA HEIGHTS, IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 12 OF MAPS, IN THE OFFICE OF SAID COUNTY, INCLUDED WITHIN THE BOUNDARIES OF THE LAND DESCRIBED IN THE DEED TO SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED ON JULY 24, 1893 IN BOOK 183, PAGE 355. OF DEEDS.

EXCEPT THEREFROM LOTS 11 AND 12 OF BLOCK 3 OF SAID LUGONIA HEIGHTS. ALSO EXCEPTING THEREFROM PARCELS I AND 1A, ALL MINERALS. AND MINERAL RIGHTS, INTERESTS, AND ROYALTIES, INCLUDING WITHOUT LIMITING THE GENERALITY THEREOF, OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES, AS WELL AS METALLIC OR OTHER SOLID MINERALS, LYING BELOW A PLANE 500 FEET BELOW THE SURFACE OF SAID PROPERTY; HOWEVER, GRANTOR OR ITS' SUCCESSORS AND ASSIGNS SHALL NOT HAVE THE RIGHT FOR ANY PURPOSE WHATSOEVER TO ENTER UPON, INTO OR THROUGH THE SURFACE OF SAID PROPERTY IN CONNECTION THEREWITH, AS RESERVED IN THE DEED RECORDED SEPTEMBER 30, 1987 AS INSTRUMENT NO. 87-350672 OF OFFICIAL RECORDS.

EXHIBIT 2 TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Grant Deed [APN(s): 0170-181-44]

RECORDING REQUESTED BY: Commonwealth Land Title Company 4100 Newport Place, Suite 120 Newport Beach, CA 92660 Escrow and Order No. WHEN RECORDED MAIL TO: SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY 1170 W. 3rd Street, 2nd Floor

San Bernardino, California 92410-1715

APN(s): 0170-181-44

EXEMPT FROM RECORDING FEES PER GOVT. CODE §27383
EXEMPT FROM DOCUMENTARY TRANSFER TAX PER REV. & TAX CODE §11922

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, City of Redlands, a municipal corporation ("Grantor") does hereby GRANT and CONVEY to San Bernardino County Transportation Authority ("Grantee") the real property located in the City of Redlands, County of San Bernardino, State of California, more particularly described the legal description attached as Exhibit "A" and depicted or illustrated on the map attached hereto as Exhibit "B", both of such attachments/exhibits are incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on the date set forth below.

Dated:	GRANTOR:
	City of Redlands, a municipa corporation
	Ву:
	Its:
	Name:

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)	
COUNTY OF)	
OnNotary Public, personally appea	before me,	,
the within instrument and ac	evidence to be the person(s) we knowledged to me that her (ies), and that by his/her/their	hose name(s) is/are subscribed to she/they executed the same in signature(s) on the instrument the
I certify under PENALT the foregoing paragraph is true a		ws of the State of California that
WITNESS my hand and	official seal.	
Signature:	(SEAL)	

CERTIFICATE OF ACCEPTANCE

(Government Code Section 27281)

This is to certify that the interest in real property conveyed by this Grant Deed to the undersigned San Bernardino County Transportation Authority ("SBCTA"), the provisions of which instrument are incorporated by this reference as though fully set forth in this certificate, is hereby accepted by the undersigned officer on behalf of SBCTA pursuant to authority conferred by the San Bernardino County Transportation Authority's Board of Directors, Agenda Item 12, adopted on June 15, 2013, and the Grantee consents to recordation thereof by its duly authorized officer.

Description/ identification of real property: VACA 585 feet North of Central Ave., Redlands, Califo APN: 0170-181-44	
Dated:	By:
	Carrie Schindler, PE Director of Transit and Rail Programs
A notary public or other officer completing this coindividual who signed the document, to which this truthfulness, accuracy, or validity of that document	s certificate is attached, and not the
STATE OF CALIFORNIA)	
COUNTY OF)	
On	who proved to e person(s) whose name(s) is/are subscribed to me that he/she/they executed the same in his/her/their signature(s) on the instrument the
Signature:	(SEAL)

EXHIBIT "A" TO GRANT DEED

LEGAL DESCRIPTION OF REAL PROPERTY [APN(s) 0170-181-44]

EXHIBIT "A" LEGAL DESCRIPTION APN 0170-181-44

RIGHT OF WAY PARCEL - RPRP 543R-089.1-RW

That portion of Lots 11 and 12 of Block 3, Lugonia Heights, in the City Redlands, County of San Bernardino, State of California, as per Map recorded in Book 8, Page 12 of Maps, filed in the office of the County Recorder of said County, more particularly described as follows:

Commencing at the intersection of the Southerly right-of-way line of the SBCTA (formerly SANBAG) Railway as shown on Record of Survey Map 148/73-92 Recorded March 7, 2012 with the Easterly right-of-way line of Church Street being 40.00 wide Easterly from the centerline thereof; thence along the said Southerly right-of-way line South 89°21'57 East 7.67 feet to the **True Point of Beginning**; Thence leaving said Southerly right-of-way line South 44°52'30" West 10.84 feet to the Easterly right-of-way line of said Church Street; thence along said Easterly right-of-way line South 89°21'57" East 39.72 feet; thence leaving said Easterly right-of-way line South 89°21'57" East 39.72 feet; thence North 00°07'30" West 25.00 feet to a point on the Southerly right-of-way line of said SBCTA right-of-way; thence along said Southerly right-of-way line North 89°21'57" West 32.05 feet to the **Point of Terminus**.

Said parcel contains 963 square feet more or less.

M 8.23.17

Distances shown hereon are grid distances in U.S. Survey feet. To obtain ground level distances, multiply distance by 1/0.99993920. All bearings shown hereon are grid based upon the California Coordinate System, Zone 5, CCS83, (Epoch NSRS-2007). Bearings from reference deeds/maps may or may not be in terms of said system.

DAVID W. AMBLER

L.S. 7322

NO. 7322
Exp. 12/31/2017

EXHIBIT "B" TO GRANT DEED

MAP OF REAL PROPERTY [APN(s) 0170-181-44]

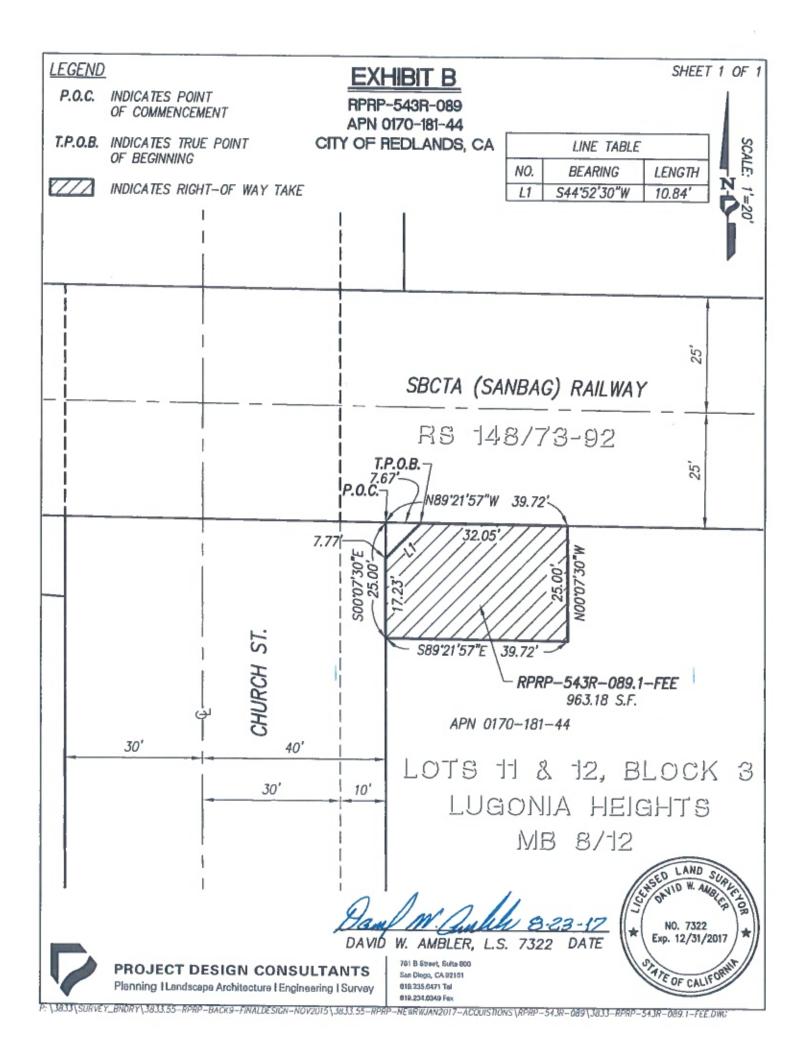


EXHIBIT 3 TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Permanent Easement Deeds [APN(s): 0170-181-44]

RECORDING REQUESTED BY:

Commonwealth Land Title Company 4100 Newport Place, Suite 120 Newport Beach, CA 92660 Escrow and Order No.

WHEN RECORDED MAIL TO:

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY 1170 W. 3rd Street, 2nd Floor San Bernardino, California 92410-1715

Portion of APN(s): 0170-181-44

EXEMPT FROM RECORDING FEES PER GOVT. CODE §27383
EXEMPT FROM DOCUMENTARY TRANSFER TAX PER REV. & TAX CODE §11922

EASEMENT DEED

Grant of Easement for Public Sidewalk and Pedestrian Purposes

FOR GOOD AND VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, City of Redlands, a municipal corporation ("Grantor") does hereby GRANT and CONVEY to San Bernardino County Transportation Authority ("Grantee"), and its successors and assigns, an easement for public sidewalk, walkway, path and/or bike path and pedestrian as well as bicycle and similar vehicle use, access, ingress and egress purposes, and appurtenances and uses associated therewith, including without limitation the installation and maintenance of a public sidewalk, together with any and all appurtenances pertaining thereto, over, above, on, under, in, across, along and through that certain portion of Grantor's real property located in the City of San Bernardino, County of San Bernardino, State of California, more particularly described in the legal description attached hereto as Exhibit "A" and depicted or illustrated on the map attached hereto as Exhibit "B"; both of such attachments / exhibits are incorporated herein by this reference.

set forth below.	
Dated:	GRANTOR:
	City of Redlands, a municipal corporation
	Ву:
	Its:
	Name:

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on the date

PSA - City of Redlands

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)	
COUNTY OF)	
On	before me,	
Notary Public, personally appear	red	who proved to (s) whose name(s) is/are subscribed to
the within instrument and ack his/her/their authorized capacity(person(s), or the entity upon beha	knowledged to me that ies), and that by his/her/t alf of which the person(s) Y OF PERJURY under to	he/she/they executed the same in heir signature(s) on the instrument the
WITNESS my hand and o	official seal.	
Signature:	(SEA	AL)

CERTIFICATE OF ACCEPTANCE

(Government Code Section 27281)

This is to certify that the interest in real property conveyed by this Easement Deed to the undersigned San Bernardino County Transportation Authority ("SBCTA"), the provisions of which instrument are incorporated by this reference as though fully set forth in this certificate, is hereby accepted by the undersigned officer on behalf of SBCTA pursuant to authority conferred by the San Bernardino County Transportation Authority's Board of Directors, Agenda Item 12, adopted on June 15, 2013, and the Grantee consents to recordation thereof by its duly authorized officer.

Description/ identification of real property: VACA 585 feet North of Central Ave., Redlands, Califo APN: 0170-181-44		
Dated:	By: Carrie Schindler, PE Director of Transit and Rail Programs	
A notary public or other officer completing this c individual who signed the document, to which thi truthfulness, accuracy, or validity of that docume	is certificate is attached, and not the	
STATE OF CALIFORNIA) COUNTY OF)		
On		
Signature:	(SEAL)	

EXHIBIT "A" TO EASEMENT DEED

LEGAL DESCRIPTION OF EASEMENT AREA [APN(s) 0170-181-44]

EXHIBIT "A" LEGAL DESCRIPTION APN 0170-181-44

PERMANENT EASEMENT - RPRP 543R-089.3-PE

That portion of Lots 11 and 12 of Block 3, Lugonia Heights, in the City Redlands, County of San Bernardino, State of California, as per Map recorded in Book 8, Page 12 of Maps, filed in the office of the County Recorder of said County, more particularly described as follows:

Commencing at the intersection of the Southerly right-of-way line of the SBCTA (formerly SANBAG) Railway as shown on Record of Survey Map 148/73-92 Recorded March 7, 2012 with the Easterly right-of-way line of Church Street being 40.00 wide Easterly from the centerline thereof; thence along said Easterly right-of-way line South 00°07'30" East 7.77 feet; thence leaving said Easterly right-of-way line North 44°52'30" East 10.84 feet to a point on the Southerly right-of-way of said SBCTA right-of-way; thence along said Southerly right-of-way line North 89°21'57" West 7.67 feet to the Point of Terminus.

Said parcel contains 30 square feet more or less.

Jel 8.23-17

Distances shown hereon are grid distances in U.S. Survey feet. To obtain ground level distances, multiply distance by 1/0.99993920. All bearings shown hereon are grid based upon the California Coordinate System, Zone 5, CCS83, (Epoch NSRS-2007). Bearings from reference deeds/maps may or may not be in terms of said system.

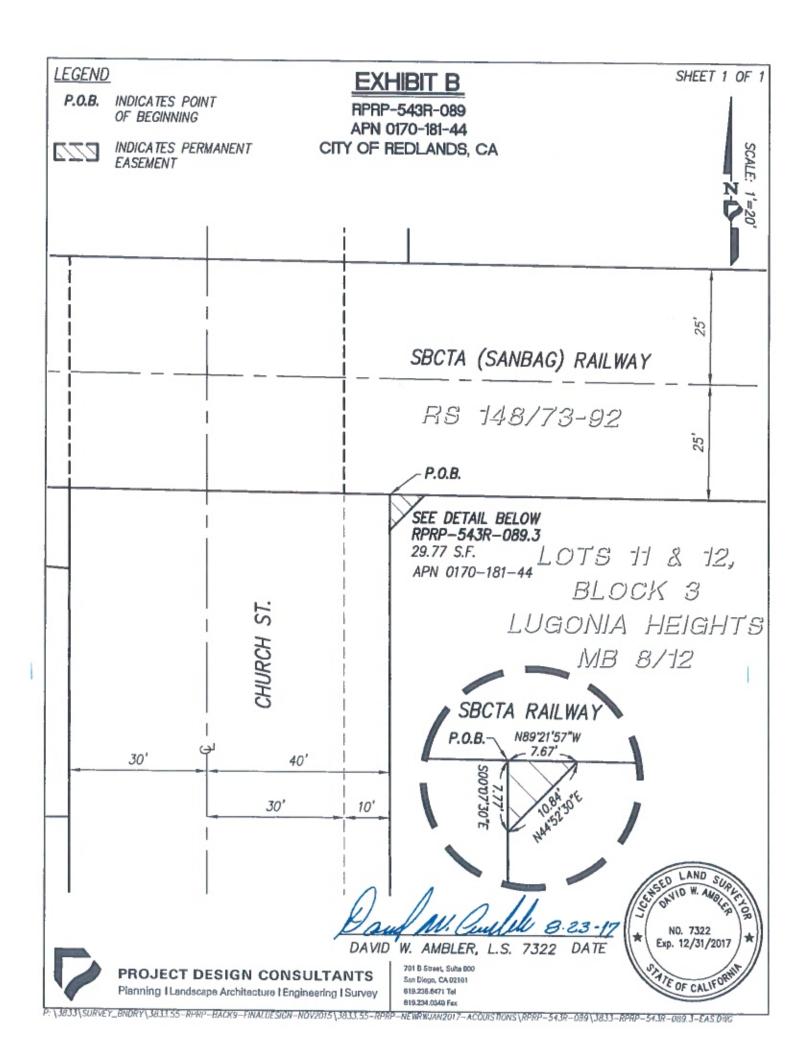
DAVID W. AMBLER

L.S. 7322

NO. 7322
Exp. 12/31/2017

EXHIBIT "B" TO EASEMENT DEED

MAP OF EASEMENT AREA [APN(s) 0170-181-44]



RECORDING REQUESTED BY:

Commonwealth Land Title Company 4100 Newport Place, Suite 120 Newport Beach, CA 92660 Escrow and Order No.

WHEN RECORDED MAIL TO:

SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY 1170 W. 3rd Street, 2nd Floor San Bernardino, California 92410-1715

Portion of APN(s): 0170-181-44

EXEMPT FROM RECORDING FEES PER GOVT. CODE §27383
EXEMPT FROM DOCUMENTARY TRANSFER TAX PER REV. & TAX CODE §11922

GRANT OF EASEMENT

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, City of Redlands, a municipal corporation ("Grantor") does hereby GRANT and CONVEY to San Bernardino County Transportation Authority ("Grantee"), and its successors and assigns, an easement for access purposes over, above, on, under, in, across, along and through, that certain portion of Grantor's real property located in the City of San Bernardino, County of San Bernardino, State of California, more particularly described in the legal description attached hereto as Exhibit "A" and depicted or illustrated on the map attached hereto as Exhibit "B"; both of such attachments / exhibits are incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on the date set forth below.

Dated:	GRANTOR:
	City of Redlands, a municipal corporation
	Ву:
	Its:
	Name:

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)		
STATE OF CALIFORNIA COUNTY OF)		
On	before me,	who proved t	_,
me on the basis of satisfactory the within instrument and a his/her/their authorized capacit	evidence to be the packnowledged to most ecknowledged to most y(ies), and that by hi	who proved to person(s) whose name(s) is/are subscribed to that he/she/they executed the same in is/her/their signature(s) on the instrument the rson(s) acted, executed the instrument.	to in
I certify under PENAL the foregoing paragraph is true	TY OF PERJURY u and correct.	under the laws of the State of California tha	at
WITNESS my hand and	l official seal.		
Signature:		(SEAL)	

CERTIFICATE OF ACCEPTANCE

(Government Code Section 27281)

This is to certify that the interest in real property conveyed by this Grant of Easement Deed to the undersigned San Bernardino County Transportation Authority ("SBCTA"), the provisions of which instrument are incorporated by this reference as though fully set forth in this certificate, is hereby accepted by the undersigned officer on behalf of SBCTA pursuant to authority conferred by the San Bernardino County Transportation Authority's Board of Directors, Agenda Item 12, adopted on June 15, 2013, and the Grantee consents to recordation thereof by its duly authorized officer.

Description/ identification of real property: VACANT, East Side of Church Street & approx. 585 feet North of Central Ave., Redlands, California 92374, APN: 0170-181-44		
Dated:	By:	
	Carrie Schindler, PE Director of Transit and Rail Programs	
A notary public or other officer completing this coundividual who signed the document, to which this truthfulness, accuracy, or validity of that document	is certificate is attached, and not the	
STATE OF CALIFORNIA)		
COUNTY OF)		
On hefore me	,	
Notary Public, personally appeared who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.		
I certify under PENALTY OF PERJURY the foregoing paragraph is true and correct.	under the laws of the State of California that	
WITNESS my hand and official seal.		
Signature:	(SEAL)	

EXHIBIT "A" TO GRANT OF EASEMENT

LEGAL DESCRIPTION OF EASEMENT AREA [APN(s) 0170-181-44]

EXHIBIT "A" LEGAL DESCRIPTION APN 0170-181-44

ACCESS EASEMENT - RPRP 543R-089.2-AE

That portion of Lots 11 and 12 of Block 3, Lugonia Heights, in the City Redlands, County of San Bernardino, State of California, as per Map recorded in Book 8, Page 12 of Maps, filed in the office of the County Recorder of said County, more particularly described as follows:

Commencing at the intersection of the Southerly right-of-way line of the SBCTA (formerly SANBAG) Railway as shown on Record of Survey Map 148/73-92 Recorded March 7, 2012 with the Easterly right-of-way line of Church Street being 40.00 wide Easterly from the centerline thereof; thence along the said Southerly right-of-way line South 89°21'57 East 39.72 feet to the **True Point of Beginning**; Thence leaving said Southerly right-of-way line South 00°07'30" East 25.00 feet; thence North 89°21'57" West 39.72 feet to the Easterly right-of-way line of said Church Street; thence along said Easterly right-of-way line South 00°07'30" East 19.99 feet; thence leaving said Easterly right-of-way line South 89°21'57" East 59.74 feet; thence North 00°07'30" West 45.00 feet to a point on the Southerly right-of-way line of said SBCTA right-of-way; thence along said Southerly right-of-way line North 89°21'57" West 20.02 feet to the **Point of Terminus**.

Said parcel contains 1,695 square feet more or less.

M 8.23.17

Distances shown hereon are grid distances in U.S. Survey feet. To obtain ground level distances, multiply distance by 1/0.99993920. All bearings shown hereon are grid based upon the California Coordinate System, Zone 5, CCS83, (Epoch NSRS-2007). Bearings from reference deeds/maps may or may not be in terms of said system.

DAVID W. AMBLER

L.S. 7322

NO. 7322
Exp. 12/31/2017

EXHIBIT "B" TO GRANT OF EASEMENT

MAP OF EASEMENT AREA [APN(s) 0170-181-44]

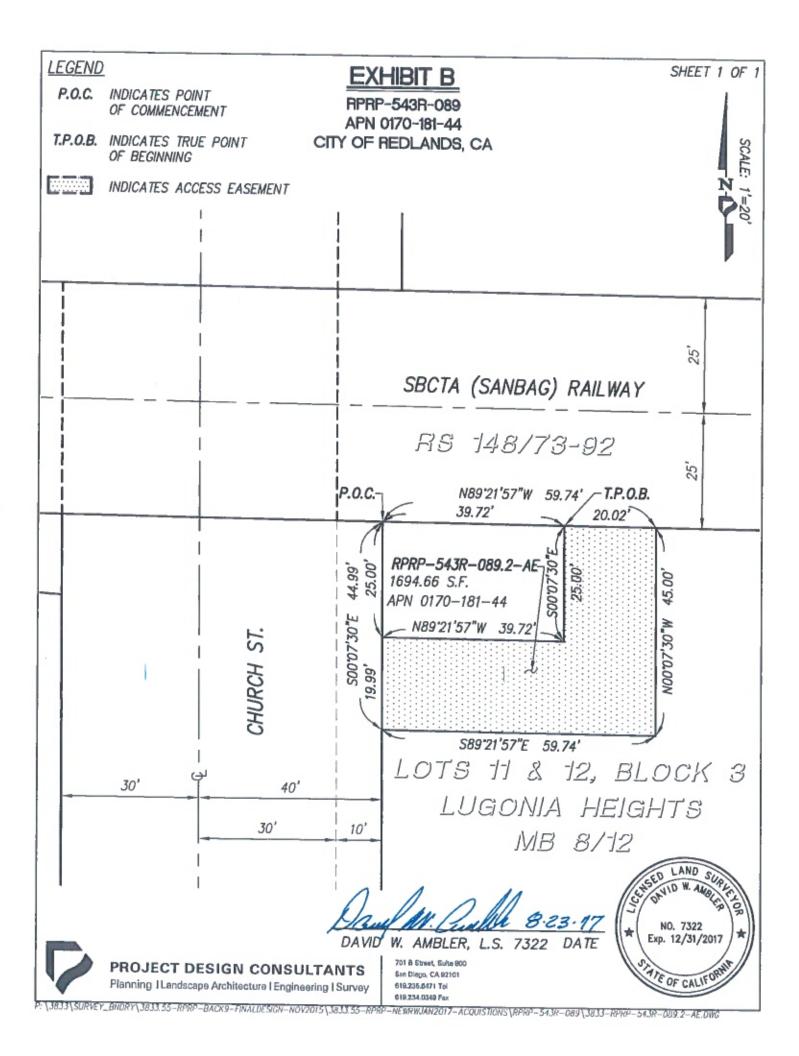


EXHIBIT 4 TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

Entry, Possession and Use Provisions [APN(s): 0170-181-44]

- A. Grant of Use. Seller hereby irrevocably grants to Buyer and/or its assignee for no additional monetary consideration beyond the compensation that Seller will receive upon Buyer's acquisition of the Transfer Portion and Easement Area either through a contract currently being or to be negotiated or, in the event the parties do not negotiate or are unable to agree to the terms of that contract, through a condemnation action, a right of entry, possession and use of the Transfer Portion and Easement Area, on the terms described in item B below.
- B. <u>Use of the Property</u>. Buyer shall have the right to enter upon and use the Transfer Portion and Easement Area for the following purposes (the "**Permitted Activities**"): (1) With respect to the Transfer Portion, for any purpose whatsoever related to the construction and/or operation of the Project; and (2), with respect to the Easement Area, for the Permanent Easement purposes set forth in Recital B.2 appearing after the preamble at the beginning of this Agreement, including, but not limited to, the purposes set forth in the Easement Deed.
- C. <u>Buyer's Right to Terminate Work</u>. Buyer shall have no obligation to commence or complete any of the Permitted Activities.
- D. <u>No Cost to Seller</u>. Buyer shall bear all costs and expenses in connection with Buyer's use of the Property.
- E. Eminent Domain. By granting the irrevocable right of entry, possession and use of the Transfer Portion and Easement Area as set forth in this EXHIBIT 4 to Buyer, Seller agrees to the following: (1) Seller shall not object to the filing of an eminent domain proceeding to acquire the Transfer Portion and/or Permanent Easement; (2) in any eminent domain action filed by Buyer to acquire the Transfer Portion and/or Permanent Easement, Seller shall not challenge Buyer's right to take the Transfer Portion and/or Permanent Easement, and the only issue shall be the amount of just compensation for the Transfer Portion and/or Permanent Easement; (3) in the event proceedings in eminent domain are begun, the date of valuation for determining the amount of just compensation for the Transfer Portion and/or Permanent Easement, as appropriate, shall be the date on which Buyer files the complaint in said proceeding; and (4) this Agreement, including, without limitation, the entry, possession and use provisions set forth in this EXHIBIT 4, shall control and, therefore, Buyer need not obtain a court order for possession in connection with any eminent domain action or proceedings.
- F. Parties' Intent to Be Bound. The Parties intend that this Agreement, including, without limitation, the right of entry, possession and use provisions set forth above in this EXHIBIT 4, constitute a binding contract. In particular in this regard, Seller acknowledges and agrees that it is important for Buyer to have assurances that the Project may be constructed in a timely manner, and that the rights granted to Buyer in the right of entry, possession and use provisions set forth above in this EXHIBIT 4 to the Agreement are crucial to the Project's success. In the event of

any dispute concerning the right of entry, possession and use provisions set forth above in this EXHIBIT 4, the Parties agree that monetary damages will not be adequate to make them whole, and intend for the terms of such right of entry, possession and use provisions to be specifically enforceable.