

7369
DD007639-02-02

OPTION TO PURCHASE-CASH TERMS

For the purchase of the real property in the County of San Bernardino as described in the above-referenced director's deed number.

The undersigned, hereinafter known as buyer, agrees to the terms of this agreement and attached conditions, and further agrees to pay a purchase price of \$3,380.00, or **Three Thousand, Three Hundred and Eighty Dollars** to the State of California, Department of Transportation, hereinafter known as seller, for the above-referenced property.

The amount of \$ 3,380.00 full purchase price.
~~1,690.00~~ is paid herewith as the ~~required deposit (minimum deposit is 50% of the purchase price)~~.

NOTE: This form must be completed and returned to Caltrans with the deposit by September 29, 1999.

The remaining balance of the purchase price shall be paid by Cash, Cashier's or Certified Check, or money order payable to the "California Department of Transportation" within thirty days from the date of demand from the seller. Payment of the entire amount can be done at the time of entering into this agreement (before September 29, 1999).

The property shall be conveyed by Director's Deed to:

City of Redlands, a municipal corporation

(PLEASE INDICATE VESTING)

It is also agreed that all notices and matters arising in connection with this transaction will be given to buyer or by mail addressed to buyer at:

City of Redlands
City Attorney's Office

PO Box 3005
Redlands, CA 92373

The buyer shall pay all recording and documentary stamp tax fees, and any other applicable fees. Upon payment of the balance of the purchase price to the Department of Transportation, this Department will either record the Director's Deed, or deliver it to the buyer for the purposes of recording. **SPECIAL NOTE: The buyer may take possession pursuant to the terms and conditions attached.**

All Provisions of the attached "TERMS OF OPTION TO PURCHASE" and the attached "AGREEMENT FOR POSSESSION AND USE" are hereby specifically incorporated by reference into the terms of this agreement, and buyer agrees to perform each of the said TERMS.

William E. Cunningham
Buyer - William E. Cunningham, Mayor
City of Redlands

Phone No. 909 798-7595

Attest:

Beatrice Sanchez
Beatrice Sanchez, Deputy City Clerk

The terms and conditions of this agreement are hereby accepted, subject to the approval of the California Transportation Commission and Caltrans.

Brice D. Paris
Brice D. Paris, Regional Manager

TERMS OF OPTION TO PURCHASE

CASH-CREDIT TERMS: This parcel is to be sold for Cash. All offers or sealed bids shall be presented under cover and shall be plainly marked on the outside cover.

REQUIRED OPTION DEPOSIT: All offers/bids must be accompanied by CASH, CASHIER'S CHECK or MONEY ORDER made payable to the DEPARTMENT OF TRANSPORTATION in the amount of the required option deposit.

OPTION PERIOD: The option deposit will be the consideration for the option period, the length of which is specified on the "Option to Purchase." The option period shall commence on the day stated on the offer letter or upon receipt of the option deposit, whichever is first. The balance of the purchase price shall be paid on or before expiration of the option period.

EXTENSION OF THE OPTION PERIOD: There may be situations wherein the option holder is unable to complete the Terms of Option within the time allowed for reasons beyond his control. Under these circumstances, the State, at its discretion, may elect to extend the option period. A charge of 1% of the sales price per month will normally be made for such extensions. This charge SHALL NOT be applied toward the purchase price.

FORFEITURE OF DEPOSIT: The option deposit and any additional option deposit shall be NON-REFUNDABLE in the event that the potential purchaser fails to exercise the option within the option period or fails to comply with any and all of the terms of the option as herein provided.

SEALED BID/OFFER FORM: Sealed Bid/Offer must be submitted on a form issued by the Department of Transportation. A copy of the sealed bid/offer form accompanies this notice. If the bid form does not contain an original signature of the bidder, the bid will be rejected. Bid form may be photocopied in case of multiple bids. [The "Option to Purchase" will be used in lieu of the sealed bid form.]

OPTION AGREEMENT:

Sealed Bids/Offers: The Department of Transportation will notify the high bidder/offerer, in writing, that the sealed bid/offer received was the highest and will be submitted to the California Transportation Commission (C.T.C.) for approval. Upon award, the bid form shall become an option agreement and the successful bidder/offerer shall be bound to the terms specified in the Sealed Bid Form/Option To Purchase.

Vocal Bids: High bidder in vocal bidding will be required to sign an Option to Purchase Agreement upon the award of the sale to the highest bidder, subject to approval of the CTC.

TIE BIDS: In the event that two or more high bids (Sealed Bids) are submitted which are equal in amount, the option shall be awarded to a high bidder chosen by lot at the time the bids are opened.

SECOND HIGH BID: In the event that the high bidder (Sealed Bids) fails to exercise the option within the option period the State may, at its discretion, offer the option to the second highest bidder. If the second highest bidder accepts the option, the deposit requirement and terms of option to purchase shall be the same as stated in the Bid Form/Option To Purchase, except that the option period shall commence on the day the option is awarded by the State.

LIMITING CONDITIONS:

(1) The sale under this option is subject to the approval of Caltrans and the C.T.C. The option deposit money will be refunded without interest if the sale is not approved by Caltrans or the CTC. The purchaser may take possession when the Director's Deed is filed for recording (unless otherwise specified on the "Option to Purchase" form).

(2) When the sale is approved by the C.T.C. and the purchaser elects to exercise the option, the option deposit will be credited toward the bid purchase price.

(3) The State reserves the right to reject any and all bids/offer and to cancel the sale in part or in its entirety, any time prior to the recordation of the Director's Deed. In the event of cancellation of sale and/or rejection of any bids, the respective deposits of money shall be refunded without interest.

(4) The right, title and interest in the property to be sold shall not exceed that vested in the State of California, and this sale is subject to all title exceptions and reservations whether or not of record, and all obligations as set forth in the Railroad Revitalization and Regulatory Reform Act, the California State Rail Plan, Railroad Grant Agreement PR-CA-79, Agreement 08800-633003, Lease Agreement #7369-001-01, and any other agreement, lease, or contract regarding the re-establishment of rail service to Richmond Technology.

(5) The successful bidder/purchaser shall pay all recording fees, documentary transfer tax, and other real estate transaction taxes or fees by whatever name known, including escrow fees and broker's commission, if any, and personal property taxes where applicable.

(6) Should the successful bidder/purchaser desire a survey of the property, this may be accomplished by an independent surveyor at the bidder's/purchaser's expense. No warranty is made by the Department of Transportation relative to the ground locations of the property lines other than monumented highway right-of-way lines.

(7) The successful bidder/purchaser shall be responsible for complying with local building codes and ordinances. All properties are sold in an "as is" condition.

(8) All Caltrans employees may bid to acquire excess State owned properties except employees who have direct access to information not generally available to the public or who influence the purchase or sale of Right-Of-Way or other real properties.

(9) Property is sold subject to existing tenancies, if applicable.

ESCROW and PAPERWORK PROCESSING: The State will handle the transfer of the property at NO CHARGE to the successful bidder except for regular transfer and recording fees. This is not considered to be a formal escrow as there is no disinterested third party. Bidder/purchaser may elect to open an escrow within 5 working days of notice of bid/offer acceptance with a mutually acceptable California licensed escrow company at bidder's/purchaser's expense.

TITLE INSURANCE: If desired, successful bidder/purchaser may obtain a policy of Title Insurance at his own expense.

SPECIAL CONDITIONS FOR STATE FINANCING: [NOT APPLICABLE; THIS IS AN ALL CASH SALE] State Financing is available to qualified bidders on designated parcels if State Financing is requested. To qualify for the financing, bidders must submit loan applications with the sealed bids or during registration for vocal bidding and authorize the State to investigate and verify. Please call for an application package. This special financing is offered with an ACCELERATION CLAUSE and CANNOT BE SUBORDINATED. The successful bidder shall on or before

N/A deposit an additional sum of money which, when added to the option deposit, will equal at least 30 percent of the successful bid together with a signed Note and Deed of Trust acceptable in form to the State of California in the amount of the balance of the purchase price. Said Note shall provide the balance of the purchase price with interest (fully amortized) to be payable in quarterly installments for a period not to exceed 10 years. Interest will commence the day after recordation of the deed. The principal obligation under the Deed Of Trust may be repaid in full or in part at any time without penalty. Each payment shall be credited first on interest then due and the remainder on principal; and interest shall there upon cease on the principal obligation and shall not replace regularly scheduled payments.

INTEREST RATE: 9.0% fixed rate for 10 years with no loan origination fees or loan points.

LATE PAYMENT: A penalty of 5% of any payment which is paid more than 10 days after its due date.

ALL PAYMENTS: All payments must be made at the California Department of Transportation, 464 W. Fourth St. 8th Floor, San Bernardino, CA 92401, in CASH, CASHIER'S CHECK or MONEY ORDER, payable to the order of the CALIFORNIA

DEPARTMENT OF TRANSPORTATION. The successful bidder's/purchaser's option deposit will be retained by the State and not placed in an escrow or trust account and does not earn any interest.

AGREEMENT FOR POSSESSION AND USE

(Addendum to Options to Purchase for ~~DD~~^{DK}007639-01-01, DD007639-02-01, DD007639-02-02)

This Agreement is made this 29th day of September, 19 99, by and between the State of California, Department of Transportation, hereinafter referred to as "State" and as "seller", and the City of Redlands, hereinafter referred to as "City" and as "buyer".

It is hereby agreed by and between the parties that the City requires immediate possession of the State's real property to realign and widen Colton Avenue and Wabash Avenue from one lane to two lanes, install storm water drainage, underground utilities, overhead lighting, and landscaping, and construction of curbs, gutters, and sidewalks. The State's property is identified in the attached Exhibits "A, B, & C." The property so identified is required by the City for the aforementioned street improvement project; the purpose of this Agreement is to allow the City to proceed with the construction of its street improvement project without delay.

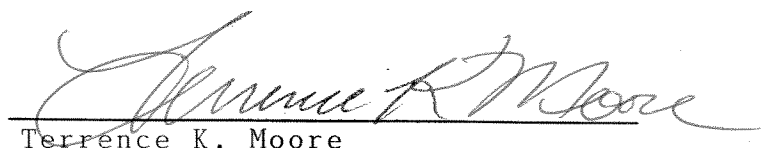
In consideration of the permission herein granted to the City, and any other consideration hereinafter set forth, the State and City agree as follows:

1. State hereby grants to City, its contractors, agents, and all others deemed necessary by City, the right to possession and use of the property. In consideration for this grant of possession and use, City shall purchase the property at fair market value from the State, therewith executing the State's "Option to Purchase" form and complying with the "Terms of Option to Purchase," including tendering a deposit of 50% of the purchase price of the property. City shall have the right to take possession of the property on the date this deposit is tendered to the State. The total purchase price for the three parcels is \$4,550.00.
 2. The City acknowledges that this property is not currently identified as excess to the State's needs and before the State can sell this property there are laws and regulations that must be complied with. The City also understands that the State can not guarantee that this property will ultimately be made available for sale.
 3. It is understood that this permission is not a waiver in any way of the compensation for the property or of any remedy authorized by law to secure payment therefor, or for any remedy authorized by law required to restore the property to its original condition.
 4. This agreement is made upon the express condition that the State of California and any officer or employee thereof is to be free from all responsibility, liability, claims, suits, or actions of every name, kind and description, brought for or on account of injury to any person or persons, including the City of Redlands, or to property of any kind whatsoever and to whomsoever belonging, including the City, occurring on or about the premises or from any cause or causes resulting from the operations and/or use of the premises, or the property adjacent thereto, by the City, their officers, agents, employees, contractors, customers, invitees, and /or any persons acting on City's behalf. It is understood and agreed that the City shall defend, indemnify, and save harmless the State of California, all officers and employees thereof, from all liability, claims suits, or actions of every name, kind and description brought for or on account of injuries to or death of any person or damage to property arising from any aforesaid cause or causes. The City waives any and all rights to any type of express and implied indemnity against the State of California, its officers or employees. It is the intent of the parties that the City will indemnify and hold harmless the State of California, its officers or employees from any and all claims, suits, or actions as set forth above regardless of the existence or degree of fault, whether active or passive, primary or secondary, on the part of the State of California, other than its sole negligence.
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5. It is understood that in the event of an impasse in the negotiations for this property, or in the event that the property can not be made available for sale, the City shall be required to rent this property from the State using the State's rental agreement at a price based on the fair market value of the property; this rental rate will be subject to periodic increases as stated in the State's rental agreement. In any event a rental agreement must be entered into no later than 120 days from the date of execution of this agreement.
6. City agrees to secure from Richmond Technology, and provide same to State, certification that indicates all obligations to the United States Government, the Public Utilities Commission, the State of California, the Union Pacific Railroad, the Burlington Northern Santa Fe Railway, and Caltrans have been satisfied by Richmond Technology regarding the Railroad Revitalization and Regulatory Reform Act, the California State Rail Plan, Railroad Grant Agreement PR-CA-79, Agreement 08800-633003 (between Richmond Technology and State of California), Lease Agreement #7369-001-01 (between Richmond Technology and the State of California) and any other agreement, lease, or contract regarding the re-establishment of rail service to Richmond Technology.

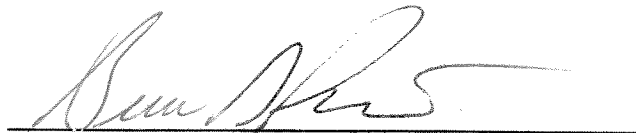
IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Recommended for Approval by:



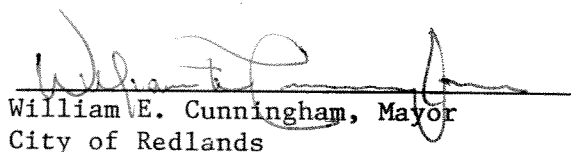
Terrence K. Moore
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

Approved by:



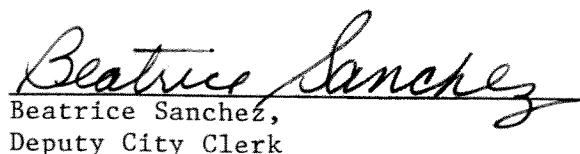
Brice D. Paris
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

ACCEPTED:



William E. Cunningham, Mayor
City of Redlands

ATTEST:



Beatrice Sanchez,
Deputy City Clerk

EXHIBIT "A"

Parcel 7369-02-02

That portion of that parcel of land situate in the County of San Bernardino, State of California, conveyed to the State of California and described as Parcel 1 in a deed recorded January 24, 1980 as Instrument No. 80-020463, Official Records of said County, being a portion of Lot 39, Block 77 of the Rancho San Bernardino, recorded in Book 7 of Maps, Sheet 2, Official Records of said County, described as follows:

COMMENCING at the Centerline intersection of Colton Avenue and Wabash Avenue as shown on a Record of Survey filed in Book 36, Pages 63 and 64, Records of Survey of said County, said point also being the Northwest corner of said Lot 39; thence along the North line of said Lot 39 South 89°52'29" East, 361.28 feet to its intersection with the Northerly line of said State of California parcel, said point being the TRUE POINT OF BEGINNING; thence continuing along said North line of Lot 39 South 89°52'29" East, 103.83 feet to the West line of that parcel of land conveyed to William J. and Lavesta M. Locklin by deed recorded May 24, 1990 as Instrument No. 90-203672, Official Records of said County; thence along said West line South 00°01'27" East, 13.34 feet to the beginning of a non-tangent curve concave Southeasterly and having a radius of 556.00 feet, a radial line to said point having a bearing of North 7°05'54" West; thence Southwesterly along said curve 20.74 feet, through a central angle of 2°08'14" to the beginning of a reverse curve concave Northwesterly and having a radius of 644.00 feet, a radial line to said point having a bearing of South 9°14'08" East; thence Westerly along said curve 104.94 feet, through a central angle of 9°20'10"; thence North 89°53'58" West, 77.35 feet to a point on the Northerly line of said State of California parcel, said point being the beginning of a non-tangent curve concave Southeasterly and having a radius of 1679.55 feet, a radial line to said point having a bearing of North 16°03'10" West; thence Northeasterly along said curve 41.36 feet through a central angle of 1°24'39" to the beginning of a compound curve concave Southeasterly and having a radius of 1216.59 feet, a radial line to said point having a bearing of North 14°38'31" West; thence continuing Northeasterly along said Northerly line, 60.25 feet through a central angle of 2°50'14" to the TRUE POINT OF BEGINNING.

08-SBd-38-3.0-7369 (DD007369-02-02)

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors Act.

Signature

Michael W. Lofy
Professional Land Surveyor

Date

10/14/99



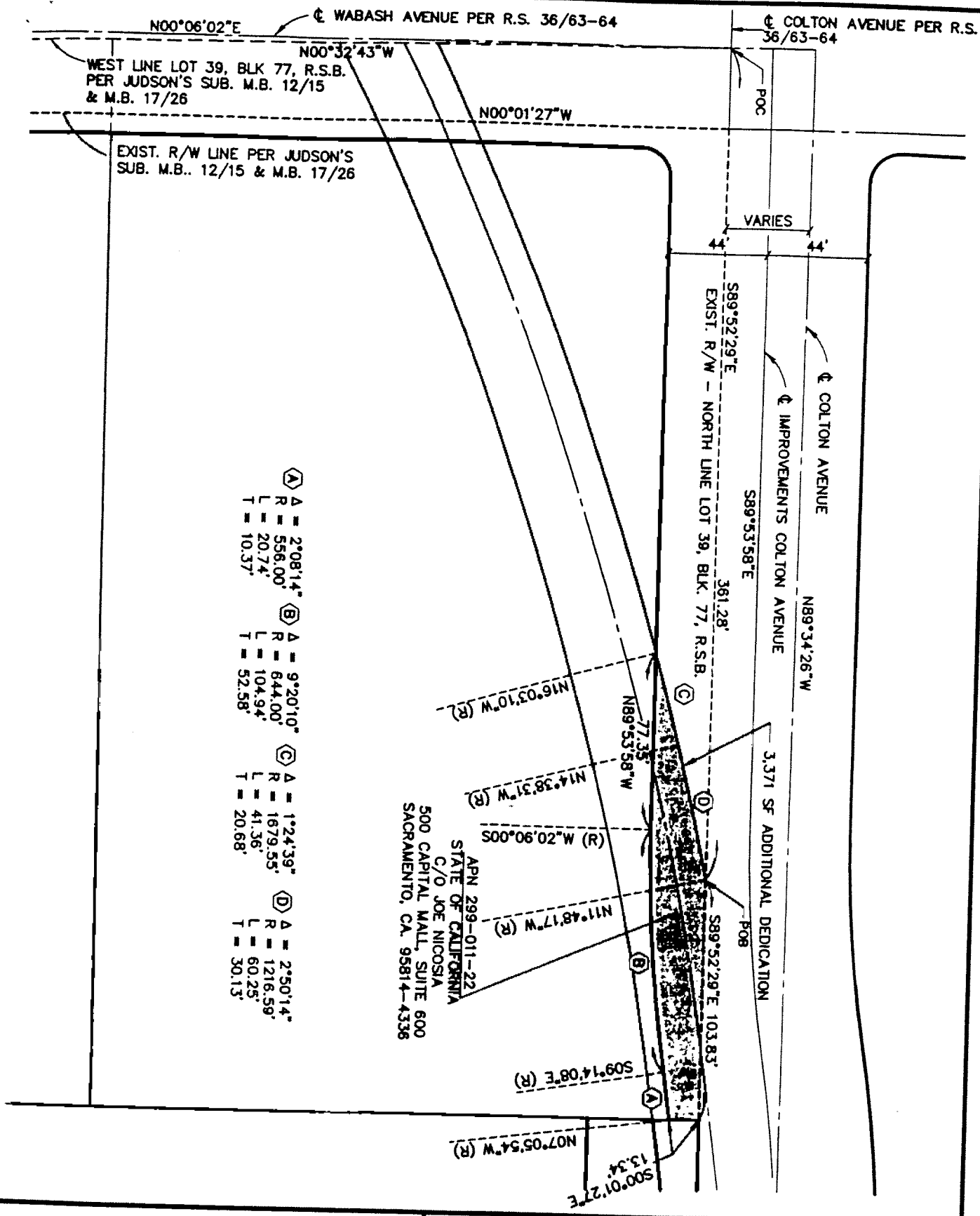


EXHIBIT "B"
APN 299-011-22
ADDITIONAL DEDICATION



SCALE 1" = 60'

DRAWN BY RM
DATE PREPARED 07/28/98
HORIZ. SCALE: 1" = 60'
SHEET 1 OF 1

Exhibit "C-2"

DRAFT

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