

AGREEMENT FOR PURCHASE AND SALE OF AN EASEMENT

This agreement for purchase and sale of an easement ("Agreement") is made and entered into this 1st day of July, 2008 ("Effective Date") by and between Michael David Morvai and Mina Rachel Morvai Schnitzer, Trustees of the Morvai Trust, a Revocable Trust, dated June 16, 1992, as to an undivided 33.33% interest; and Michael David Morvai and Bobbette Devorah Litvak Morvai, as Trustees of the Michael David Morvai and Bobbette Devorah Litvak Morvai Trust, dated June 29, 1993, as to an undivided 25.15% interest; and David M. Lackner, Trustee of the 1989 Edward Lackner Trust, as to an undivided 41.52% interest (collectively, "Grantor") and the City of Redlands, a municipal corporation ("Grantee"). Grantor and Grantee are each sometimes individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS

A. Grantor owns certain real property located at 1585 West Redlands Blvd., Redlands, California, bearing County of San Bernardino Assessor's Parcel No. 0292-182-32 (the "Property").

B. Grantee desires to purchase a permanent easement in a portion of the Property and Grantor desires to sell and convey an easement in a portion of the Property as described in Exhibit "A" and depicted in Exhibit "B," both of which are attached hereto (the "Easement").

C. The Parties desire by this Agreement to provide the terms and conditions for the purchase and sale of the Easement.

In consideration of the mutual promises contained herein, the Parties agree as follows:

AGREEMENT

1. PURCHASE.

Grantee shall buy and Grantor shall sell and convey the Easement, for the purchase price and upon the terms and conditions hereinafter set forth.

2. ESCROW.

Within ten (10) days of the Effective Date of this Agreement, Grantee shall open an escrow (the "Escrow") at a mutually acceptable office of First American Title Company (the "Escrow Holder") for the purpose of consummating the purchase and sale of the Easement. The Parties shall execute and deliver to Escrow Holder such escrow instructions prepared by Escrow Holder as may be required to consummate this transaction. Any such instructions shall not conflict with, amend or supersede any provision of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control unless the Parties agree in writing otherwise. The Escrow Instructions shall include the following terms and conditions of sale:

2.1 Purchase Price.

The total purchase price for the Easement shall be the sum of Two Hundred Three Thousand, Three Hundred Three Dollars, and Ninety-Eight Cents (\$203,303.98) (the

"Purchase Price"), which shall be paid by Grantee to Grantor through Escrow Holder in cash at Close of Escrow.

2.2 Close of Escrow.

Escrow shall close on or before ninety (90) days following the Effective Date of this Agreement (the "Close of Escrow"). If the Escrow is not in a condition to close by the Close of Escrow, any Party who is not then in default may, in writing, demand the return of its money and/or documents. Thereupon, subject to the provisions of Section 3 hereof, all obligations and liabilities of the Parties under this Agreement shall cease and terminate. If no such demand is made, the City Manager of Grantee may, by written instrument to Escrow, authorize an extension of the Escrow. Escrow shall be closed as soon as possible.

2.3 Condition of Title to the Easement.

Grantor shall convey title to the Easement to Grantee as evidenced by a CLTA Standard Form Policy or Binder of Title Insurance ("Title Policy") issued by a title insurance company to be selected by Grantee in an amount equal to the Purchase Price. The Title Policy shall show as exceptions with respect to the Easement only matters approved in writing by Grantee. Any exceptions to title representing monetary liens or encumbrances (other than for current installments of taxes and assessments) are hereby disapproved by Grantee, and Escrow Holder is hereby authorized and instructed to cause the reconveyance, partial reconveyance or subordination, as the case may be and as approved by Grantor, of any such monetary exceptions to Grantee's title to the Easement at or prior to the Close of Escrow.

2.4 Escrow and Closing Costs.

Grantee shall pay the cost of the Title Policy, all Escrow fees (including reconveyance fees, trustee's fees or forwarding fees for any partial reconveyance or subordination of a deed of trust or mortgage), and all recording costs incurred herein. All Parties acknowledge that Grantee is exempt from payment of documentary transfer taxes.

2.5 Investigations.

Prior to the Close of Escrow, Grantee may, at its option, conduct, at Grantee's expense, any and all investigations, inspections, surveys and tests of the Property including, without limitation, soils, groundwater, wells, percolation, geology, environmental, drainage, engineering and utilities investigations, inspections, surveys and tests, which Grantee determines, in its sole discretion, are required to ascertain the suitability of the Easement for Grantee's intended use. If Grantee determines that the Easement is not suitable for its intended use, Grantee may terminate this Agreement as provided in Section 2.2 hereof. Grantor hereby grants to Grantee, and Grantee's employees, representatives, agents and independent contractors, a license to enter the Property for purposes of conducting such investigations, inspections, surveys and tests. Grantee hereby indemnifies, defends and holds Grantor harmless from and against any and all loss, cost, damage, expense or liability (including attorneys' fees) arising out of the inspection, investigation, surveying and/or testing activities on or about the Property by Grantee or Grantee's employees, representatives, agents and independent contractors. As a condition to any independent contractor entering onto the Property, Grantor must provide Grantee with evidence of such contractor's public liability insurance coverage with minimum limits of \$1,000,000 that names Grantor as an additional insured. Grantee

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shall repair any damage to the Property resulting from such investigations, inspections, surveys and tests conducted by Grantee or Grantee's employees, representatives, agents or independent contractors. Grantee's approval of any of such investigations, inspections, surveys or tests shall not alter or diminish Grantor's representations or warranties under this Agreement, and Grantor acknowledges and agrees that Grantee is relying upon Grantor's representations and warranties made herein, unless such representation or warranty is specifically waived in whole or in part by Grantor.

2.6 Deposit of Funds and Documents.

A. Prior to Close of Escrow, Grantee shall deposit into Escrow (i) all Escrow and Closing Costs as described above; (ii) the Purchase Price to be paid to Grantor through Escrow; and (iii) such other documentation as is necessary to close Escrow in conformance herewith.

B. Prior to the Close of Escrow, Grantor shall deposit into Escrow (i) the properly executed Grant of Easement Deed conveying the Easement, a copy of which is attached to this Agreement as Exhibit "C," and (ii) such other documents and sums, if any, as are necessary to close Escrow in conformance herewith.

2.7 Grantee's Conditions Precedent to Close of Escrow.

The Close of Escrow is subject to the following conditions:

A. All representations and warranties of Grantor set forth in this Agreement shall be true and correct as of the Close of Escrow; and

B. Grantor shall timely perform all obligations required by the terms of this Agreement to be performed by it.

2.8 Grantor's Conditions Precedent to Close of Escrow.

For the benefit of Grantor, the Close of Escrow shall be conditioned upon the timely performance by Grantee of all obligations required of Grantee by the terms of this Agreement.

3. POSSESSION OF EASEMENT.

Grantee may take possession of the Easement and begin construction of the works of improvement thereon as of the Effective Date of this Agreement, prior to the Close of Escrow; if Escrow should not close for any reason, or under the conditions specified in Section 2.2 or in Section 7 hereof, Grantee shall have the right to continue in possession and construct the works of improvement, and the purchase price and terms shall be determined by agreement of the Parties, or absent an agreement, by a form of arbitration agreed to by the Parties, or if they cannot so agree, then Grantee may in its sole discretion, initiate an action in eminent domain in which the issue will be to determine the amount of compensation to be paid.

4. REPRESENTATIONS AND WARRANTIES OF GRANTOR.

Grantor makes the following representations and warranties, each of which shall survive the Close of Escrow:

A. Grantor holds title to an indefeasible estate in fee simple in the Property. Grantor is the sole owner of the Property and has good, absolute and marketable title to the Property, subject to the exceptions of record approved or deemed approved hereunder by Grantee, and has full power and authority to own and sell and convey the Easement over, under and/or through the Property to Grantee and to enter into and perform its obligations pursuant to this Agreement;

B. The execution and delivery of this Agreement by Grantor, Grantor's performance hereunder, and the consummation of this transaction will not constitute a violation of any order or decree or result in the breach of any contract or agreement to which Grantor is a Party, or by which Grantor is bound;

C. Grantor shall not enter into any agreements or undertake any new obligations prior to Close of Escrow which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Grantee;

D. To Grantor's actual knowledge, no litigation and no governmental, administrative or regulatory act or proceeding regarding the environmental, health and safety aspects of the Property is pending, proposed or threatened;

E. According to Grantor's actual knowledge, the Property 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, but not limited to, soil and groundwater conditions underlying the Property which could affect the Easement or its use, and neither Grantor nor 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 flammable materials, explosives, radioactive materials, hazardous or contaminated materials or substances, toxic or noxious materials, substances or related materials or substances ("Hazardous Materials"). For the purpose of this Section, Hazardous Materials shall include, without limitation, substances defined as "hazardous substances," "hazardous materials," "toxic substances," "hazardous wastes," "extremely hazardous wastes," or "restricted hazardous wastes," or stated to be known to cause cancer or reproductive toxicity, under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. sections 9601, et seq; the Hazardous Materials Transportation Act, 49 U.S.C. sections 1801, et seq; the Resource Conservation and Recovery Act, 42 U.S.C. sections 6901, et seq; the Federal Water Pollution Control Act, 33 U.S.C. sections 1317, et seq; sections 25115, 25117, 25122.7, 25140, 25249.5, 25249.8, 25281, 25316 or 25501 of the California Health and Safety Code; or any substances so defined or stated in any of the regulations adopted and publications promulgated pursuant to said laws as they may be amended from time to time;

F. In the event Grantee discovers pre-existing Hazardous Materials, contaminated soil and/or water in, on or under the Property prior to the Close of Escrow, Grantee shall promptly notify Grantor in writing of such discovery. Grantor may within ten (10) days after receipt of such notice, elect to terminate the Escrow and this Agreement by giving written notice to Escrow Holder and Grantee, and any money and/or documents shall promptly be returned by Escrow Holder to the party or parties who deposited them in the Escrow. In the event Grantor does not elect to terminate the Escrow and this Agreement following receipt of such notice, or if Hazardous Materials are discovered in, on or under the Easement after the Close of Escrow and have not been stored, released or otherwise placed in, on or under the Easement or the Property by Grantee or its employees, representatives, agents and/or independent contractors, Grantor shall be solely

responsible for the removal and disposal of any and all such Hazardous Materials, contaminated soil and/or water;

G. In the event Grantor fails to remove said Hazardous Materials, contaminated soil and/or water, Grantee or its designee shall have the right to remove and dispose of said Hazardous Materials, contaminated soil and/or water at Grantor's sole cost and expense, but only after written notice to Grantor from Grantee and a reasonable opportunity for Grantor to cure the problem. Grantor shall immediately reimburse Grantee for costs and expenses incurred by Grantee for the removal and disposal of any Hazardous Materials, contaminated soil and/or water upon receipt of a bill or invoices therefore with reasonable supporting documentation of such costs and expenses. Grantor shall defend, indemnify and hold Grantee, its elected officials, officers, employees, consultants and agents, harmless from any and all liability, costs, fines, penalties, charges and/or claims of any kind whatsoever related to the existence and removal of any Hazardous Materials, contaminated soil and/or water, except to the extent any such Hazardous Materials have been stored, released or otherwise placed in, on or under the Easement or the Property by Grantee or its employees, representatives, agents and/or independent contractors; and

H. Grantor has and shall have paid before Close of Escrow any and all current and past due taxes, assessments, penalties and interest levied and assessed against the Property. If not paid prior to Close of Escrow, Grantor hereby authorizes Escrow Holder to disburse to the taxing authority from funds otherwise due to Grantor an amount sufficient to discharge said taxes, assessments, penalties and interest. Unless the Easement is assessed separately, Grantor shall also keep current, year-by-year, all taxes, assessments, penalties and interest levied and assessed against the Easement and the larger Property of which it is a part.

Any of the forgoing representations or warranties made "to Grantor's actual knowledge" means to the present, actual knowledge of the named individuals comprising Grantor, without any duty of inquiry or investigation, and without the imputation of knowledge of any other person to any of the parties comprising Seller. These representations and warranties shall survive the Close of Escrow.

5. REPRESENTATIONS AND WARRANTIES OF GRANTEE.

A. Grantee shall repair and restore any improvements or land (other than the Easement and any improvements located thereon) belonging to Grantor that may be damaged by Grantee or Grantee's contractor during construction of the works of improvement for which the Easement is conveyed, or, at Grantee's option, pay to Grantor the market value of such improvements, provided that this Section shall not be construed to require Grantee to pay for the use for which the Easement is intended.

B. Grantee shall save harmless and indemnify Grantor against any and all claims, demands, suits, judgments, expenses and costs on account of injury to, or death of, persons, or loss of, or damage to, property of others incurred during or proximately caused by acts or omissions of Grantee or Grantee's contractor in the performance of any work by Grantee or Grantee's contractor to construct the works of improvement for which the Easement is conveyed.

C. Grantee shall defend and indemnify Grantor against any and all claims, demands, suits, judgments, expenses and costs on account of injury to, or death of, persons, or loss

of, or damage to, property of others arising from or relating to the ownership or use of the Easement by Grantee, and its employees, agents, representatives, invitees, contractors.

These obligations of Grantee under this paragraph 5 shall survive the Close of Escrow.

6. ACKNOWLEDGMENT OF FULL BENEFITS AND RELEASE.

A. By execution of this Agreement, Grantor, on behalf of itself and its respective successors and assigns, hereby acknowledges that this Agreement provides full payment for the acquisition of the Easement by Grantee, and Grantor hereby expressly and unconditionally waives any and all claims for damages, relocation assistance benefits, severance damages, interest, loss of goodwill, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits, other than as already expressly provided for in this Agreement, it being understood that this is a complete and full settlement of all acquisition claims, liabilities or benefits of any type or nature whatsoever relating to or in connection with Grantee's acquisition of the Easement.

B. This Agreement arose out of Grantee's efforts to acquire the Easement through its municipal authority. The Parties 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 Easement or of the Property or of liability by any Party to this Agreement. Grantor, on behalf of itself and its successors and assigns, hereby fully releases Grantee, its successors, agents, representatives, and assigns, and all other persons and associations, known or unknown, from all claims and causes of action by reason of any damage which has been sustained, or may be sustained, as a result of Grantee's efforts to acquire the Easement or to construct works of improvement thereon, or any preliminary steps thereto, except as set forth in Section 5 above. Grantor further releases and agrees to hold Grantee harmless from any and all claims by reason of any leasehold interest in the Property. This release shall survive the Close of Escrow.

C. Grantor expressly waives the rights afforded to Grantor under Civil Code section 1542 which provides that:

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.

7. REMEDIES.

If Grantor defaults under this Agreement, then Grantee may, at Grantee's option, terminate the Escrow or initiate an action for specific performance of this Agreement, or pursue any other rights or remedies that Grantee may have at law or in equity. If Grantee defaults under this Agreement, then Grantor may, at Grantor's option, terminate the Escrow or pursue any rights or remedies that Grantor may have at law or in equity.

8. EXCHANGE.

The parties to this Agreement acknowledge that either party may desire to structure the sale and/ or the purchase of the Easement as an exchange for like-kind property pursuant to Section 1031 of the

Internal Revenue Code 1986, as amended, in order to defer recognition of income from the disposition of the Easement and other properties. The parties agree to reasonably cooperate with each other to accomplish such exchange(s) and each party hereby agrees that any and all costs associated with said exchange shall be borne solely by the exchanging party and shall in no way be attributable to the non-exchanging party. In no event shall the non-exchanging party be required to take title to the exchanged property(ies) to effectuate the tax deferred exchange contemplated by this Section.

9. MISCELLANEOUS.

A. Notice. Any notice to be given or other document or documents to be delivered to either Party by the other hereunder may be delivered in person or may be deposited in the United States Mail in the State of California, duly registered or certified, with postage prepaid, and addressed as follows:

Grantor:

Michael David Morvai and Mina Rachel Morvai
Schnitzer, Trustees,
Michael David Morvai and Bobbette Deborah Litvak
Morvai, Trustees
David M. Lackner, Trustee
2337 Dodge Lane
Carmichael, CA 95608

Grantee:

City of Redlands
Attn: Tom T. Fujiwara
Assistant Public Works Director
PO Box 3005
Redlands, CA 92373

Any Party hereto may, from time to time, by written notice to the other Party, designate a different address, which shall be substituted for the one specified above. Any notice or other documents sent by registered or certified mail as aforesaid shall be deemed to have been effectively served or delivered at the expiration of twenty-four (24) hours following the deposit of said notice or other documents in the United States mail.

B. Time of Essence. Time is of the essence with respect to each and every provision hereof.

C. Assignment. Neither this Agreement, nor any interest herein, shall be assignable by any Party without prior written consent of the other Party.

D. Governing Law. All questions with respect to this Agreement, and the rights and liabilities of the Parties hereto, shall be governed by and construed in accordance with the laws of the State of California.

E. Inurement. This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heirs and legatees of each of the Parties.

F. Attorneys' Fees. If any action, arbitration or other proceeding is brought for the interpretation or enforcement of this Agreement, or because of any alleged dispute, breach, default or misrepresentation in connection with the Agreement, the successful or prevailing Party shall be entitled to recover actual attorneys' fees and other costs it incurs in that action or proceeding, in addition to any other relief to which it may be entitled, including fees for any in-house counsel of the Parties.

G. Entire Agreement. This Agreement contains the entire Agreement of the Parties, and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the Parties relating to the subject matter contained in this Agreement which are not fully expressed herein.

H. Additional Documents. The Parties agree to execute any and all additional documents and instruments necessary to carry out the terms of this Agreement.

I. No Admissions. This Agreement is a compromise and settlement of outstanding claims between the Parties relating to Grantee's acquisition of the Easement and shall never be treated as an admission by either Party to the Agreement for any purpose in any judicial, arbitration or administrative proceeding between the Parties. This paragraph shall not apply to any claim that one may have against the other for breach of any provision or covenant of this Agreement.

J. No Merger. All representations, warranties, acknowledgments, releases, covenants and obligations contained in this Agreement shall survive delivery and recordation of the permanent easement.

K. Broker. Grantor and Grantee each represent and warrant to the other that no broker, agent or finder has been engaged by it in connection with the transaction contemplated by this Agreement and that all negotiations relative to these instructions and this transaction have been carried out by such Party directly with the other Party without the intervention of any person in such a manner as to give rise to any valid claim against either of the Parties for a broker's commission, finder's fee or other like payment. Each of the Parties shall indemnify and defend the other Party and hold it harmless from any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which the other Party may incur or sustain by reason of or in connection with any misrepresentation or breach of warranty by the indemnifying Party with respect to the foregoing.

L. Counterparts. This Agreement may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

EXECUTED on the date or dates set forth below.

Grantors:

THE MORVAI TRUST,
a revocable trust, dated June 16, 1992

Dated: 3-20-08

By: Michael David Morvai TE
Michael David Morvai, Trustee

Dated: 3-20-08

By: Mina Rachel Morvai Schnitzer
Mina Rachel Morvai Schnitzer, Trustee

THE MICHAEL DAVID MORVAI and
BOBBETTE DEVORAH LITVAK MORVAI
TRUST, dated June 29, 1993

Dated: 3-20-08

By: Michael David Morvai TE
Michael David Morvai, Trustee

THE MICHAEL DAVID MORVAI and
BOBBETTE DEVORAH LITVAK MORVAI
TRUST, dated June 29, 1993

Dated: 3/20/08

By: Bobbette Devorah Litvak Morvai TE
Bobbette Devorah Litvak Morvai, Trustee

THE 1989 EDWARD LACKNER TRUST

Dated: _____

By: _____
David M. Lackner, Trustee

Grantee:

CITY OF REDLANDS,
a municipal corporation

Dated: 7/1/08

By: Jon Harrison
Jon Harrison, Mayor

Attest:

Debbie Payne
City Clerk

EXECUTED on the date or dates set forth below.

Grantors:

THE MORVAI TRUST,
a revocable trust, dated June 16, 1992

Dated: _____

By: _____
Michael David Morvai, Trustee

Dated: _____

By: _____
Mina Rachel Morvai Schnitzer, Trustee

THE MICHAEL DAVID MORVAI and
BOBBETTE DEVORAH LITVAK MORVAI
TRUST, dated June 29, 1993

Dated: _____

By: _____
Michael David Morvai, Trustee

THE MICHAEL DAVID MORVAI and
BOBBETTE DEVORAH LITVAK MORVAI
TRUST, dated June 29, 1993

Dated: _____

By: _____
Bobbette Devorah Litvak Morvai, Trustee

THE 1989 EDWARD LACKNER TRUST

Dated: 3/25/2008

By: David M. Lackner
David M. Lackner, Trustee

H. Patel
HEMA PATEL
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES APRIL 06, 2012
Cheryl Hill, NJ
For David Lackner only

Grantee:

CITY OF REDLANDS,
a municipal corporation

Dated: _____

By: _____
Jon Harrison, Mayor

Attest:

City Clerk

EXECUTED on the date or dates set forth below.

Grantors:

THE MORVAI TRUST,
a revocable trust, dated June 16, 1992

Dated: _____

By: _____
Michael David Morvai, Trustee

Dated: 6/2/08

By: Mina Rachel Morvai Schnitzer, Trustee
Mina Rachel Morvai Schnitzer, Trustee

THE MICHAEL DAVID MORVAI and
BOBBETTE DEVORAH LITVAK MORVAI
TRUST, dated June 29, 1993

Dated: _____

By: _____
Michael David Morvai, Trustee

THE MICHAEL DAVID MORVAI and
BOBBETTE DEVORAH LITVAK MORVAI
TRUST, dated June 29, 1993

Dated: _____

By: _____
Bobbette Devorah Litvak Morvai, Trustee

THE 1989 EDWARD LACKNER TRUST

Dated: 3/25/2008

By: David M. Lackner
David M. Lackner, Trustee

H. Patel
HEMA PATEL
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES APRIL 06, 2012
Cheryl Hill, NJ
for David Lackner only

Grantee:

CITY OF REDLANDS,
a municipal corporation

Dated: _____

By: _____
Jon Harrison, Mayor

Attest:

City Clerk

EXHIBIT A

LEGAL DESCRIPTION EASEMENT ACQUISITION, PARCEL Q

REAL PROPERTY IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL 1 OF PARCEL MAP NO. 7310 IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 75, PAGES 38 AND 39, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 1; THENCE NORTHERLY, NORTHEASTERLY AND SOUTHEASTERLY ALONG THE FOLLOWING THREE (3) COURSES OF SAID PARCEL 1:

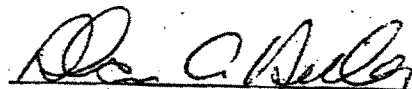
1. NORTH $00^{\circ}58'26''$ WEST, A DISTANCE OF 223.49 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 20.00 FEET;
2. THENCE NORTHEASTERLY ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF $93^{\circ}10'43''$ AND AN ARC LENGTH OF 32.53 FEET, TO THE BEGINNING OF A COMPOUND TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2745.00 FEET;
3. THENCE SOUTHEASTERLY ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF $05^{\circ}38'51''$ AND AN ARC LENGTH OF 270.57 FEET, A RADIAL TO WHICH BEARS NORTH $07^{\circ}51'08''$ EAST, TO THE EASTERLY LINE OF SAID PARCEL 1, (THE INITIAL RADIAL LINE BEARS NORTH $02^{\circ}12'17''$ EAST);

THENCE SOUTH $00^{\circ}56'43''$ EAST ALONG SAID EASTERLY LINE, A DISTANCE OF 3.98 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 3073.79 FEET; THENCE NORTHWESTERLY ALONG SAID NON-TANGENT CURVE THROUGH AN ANGLE OF $04^{\circ}36'47''$ AND AN ARC LENGTH OF 247.48 FEET, (THE INITIAL RADIAL LINE BEARS NORTH $07^{\circ}21'31''$ EAST); THENCE SOUTH $45^{\circ}51'31''$ WEST, A DISTANCE OF 46.68 FEET; THENCE SOUTH $00^{\circ}58'26''$ EAST, A DISTANCE OF 62.64 FEET; THENCE SOUTH $01^{\circ}29'58''$ EAST, A DISTANCE OF 90.37 FEET; THENCE SOUTH $01^{\circ}43'38''$ WEST, A DISTANCE OF 52.36 FEET, TO THE SOUTHERLY LINE OF SAID PARCEL 1; THENCE SOUTH $89^{\circ}33'37''$ WEST ALONG SAID SOUTHERLY LINE, A DISTANCE OF 8.36 FEET, TO THE POINT OF BEGINNING.

SAID DESCRIPTION CONTAINS 4,254 SQUARE FEET, MORE OR LESS.



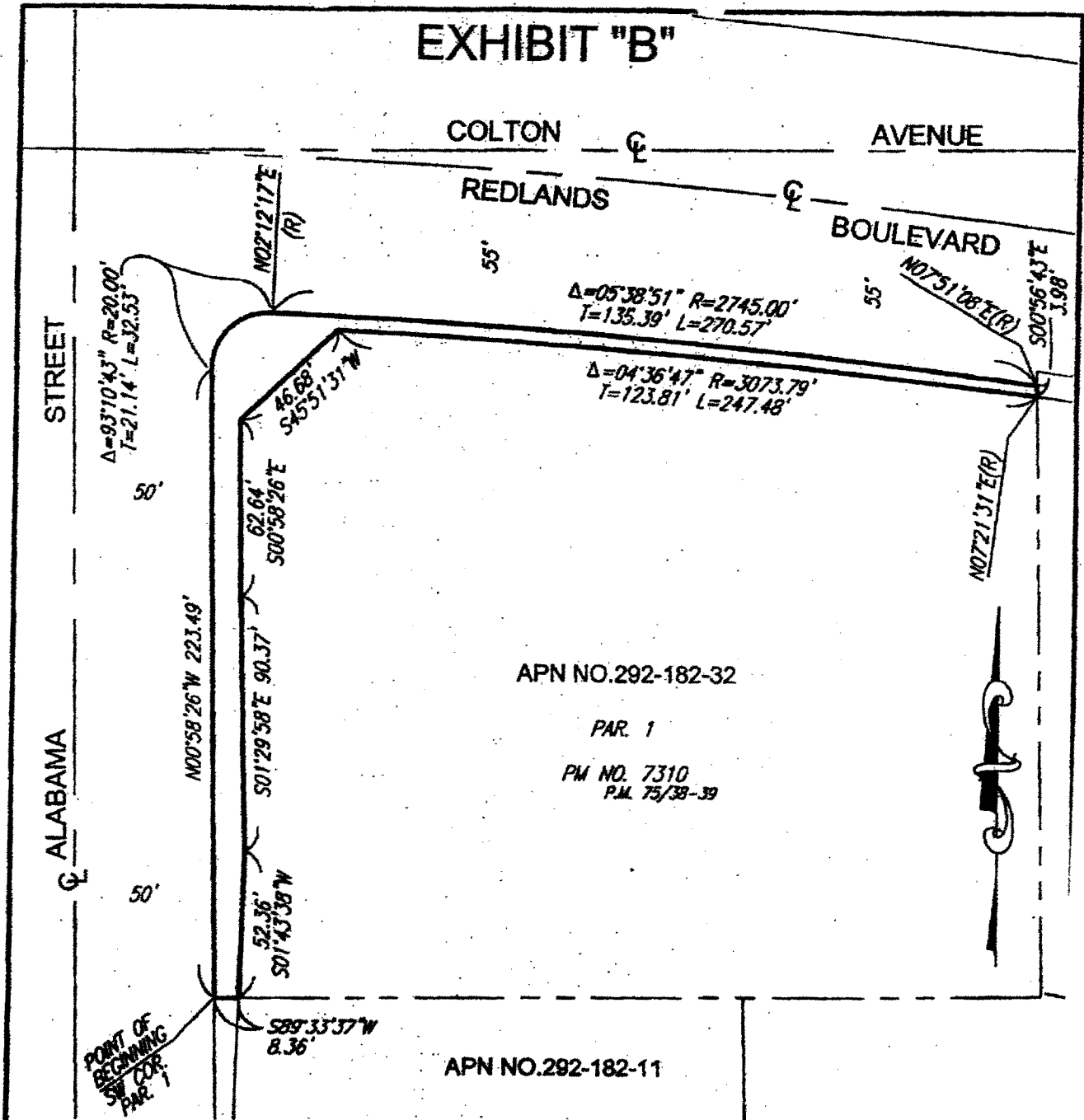
HILLWIG-GOODROW, LLC
PREPARED UNDER THE SUPERVISION OF:


ALAN C. HILLWIG, PLS 5137
DATE: Oct. 17, 2005



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EXHIBIT "B"



ACQUISITION Q APN NO. 292-182-32

PREPARED FOR PARSONS BRINCKERHOFF

PAR:

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

P.N. #317-01

PREPARED BY: H-G, LLC

SCALE: 1"=50'

PREPARED BY: *Alan C. Hillwig*

DATE: SEPTEMBER 2005

DATE: *Oct. 17 2005*

SHEET 1 OF 1

EXHIBIT "C"

RECORDING REQUESTED BY:
PUBLIC WORKS DEPARTMENT
CITY OF REDLANDS

WHEN RECORDED, RETURN TO:
CITY CLERK'S OFFICE
CITY OF REDLANDS
P. O. BOX 3005
REDLANDS CA 92373

APN: 0292-182-32
PARCEL: Q

(THIS SPACE FOR RECORDER'S USE ONLY)

GRANT OF ROADWAY EASEMENT

This Grant of Roadway Easement is entered into by and between MICHAEL DAVID MORVAI AND MINA RACHEL MORVAI SCHNITZER, TRUSTEES OF THE MORVAI TRUST, A REVOCABLE TRUST, DATED JUNE 16, 1992, AS TO AN UNDIVIDED 33.33% INTEREST; AND MICHAEL DAVID MORVAI AND BOBBETTE DEVORAH LITVAK MORVAI, AS TRUSTEES OF THE MICHAEL DAVID MORVAI AND BOBBETTE DEVORAH LITVAK MORVAI TRUST, DATED JUNE 29, 1993, AS TO AN UNDIVIDED 25.15% INTEREST; AND DAVID M. LACKNER, TRUSTEE OF THE 1989 EDWARD LACKNER TRUST, AS TO AN UNDIVIDED 41.52% INTEREST and the City of Redlands, a Municipal Corporation (herein "City") duly organized in accordance with the laws of the State of California

For valuable consideration, receipt of which is hereby acknowledged

MICHAEL DAVID MORVAI AND MINA RACHEL MORVAI SCHNITZER, TRUSTEES OF THE MORVAI TRUST, A REVOCABLE TRUST, DATED JUNE 16, 1992, AS TO AN UNDIVIDED 33.33% INTEREST; AND MICHAEL DAVID MORVAI AND BOBBETTE DEVORAH LITVAK MORVAI, AS TRUSTEES OF THE MICHAEL DAVID MORVAI AND BOBBETTE DEVORAH LITVAK MORVAI TRUST, DATED JUNE 29, 1993, AS TO AN UNDIVIDED 25.15% INTEREST; AND DAVID M. LACKNER, TRUSTEE OF THE 1989 EDWARD LACKNER TRUST, AS TO AN UNDIVIDED 41.52% INTEREST

hereby grants to City an irrevocable roadway easement over that certain real property ("Easement Area"), described on Exhibit "A" and shown on Exhibit "B" attached hereto, for the following purposes:

A. Right-of-way at any time, or from time to time, to construct, maintain, operate replace, and renew the roadway described on Exhibit "A" and shown on Exhibit "B", and appurtenant roadway improvements such as curbs, gutters, and sidewalks, in, upon and across said Easement Area or any part thereof; and



EXHIBIT "C"

B. Ingress and egress over the Easement Area for vehicular or pedestrian traffic.

Executed on March 25, 2008

THE MORVAI TRUST, A REVOCABLE TRUST,
DATED JUNE 16, 1992

By: MICHAEL DAVID MORVAI, TRUSTEE

By: MINA RACHEL MORVAI SCHNITZER

THE MICHAEL DAVID MORVAI AND BOBBETTE
DEVORAH LITVAK MORVAI TRUST, DATED
JUNE 29, 1993

By: MICHAEL DAVID MORVAI, TRUSTEE

By: BOBBETTE DEVORAH LITVAK MORVAI,
TRUSTEE

THE 1989 EDWARD LACKNER TRUST

By: DAVID M. LACKNER, TRUSTEE

HEMA PATEL
NOTARY PUBLIC

STATE OF NEW JERSEY

MY COMMISSION EXPIRES APRIL 05, 2012

For David Lackner
only

Cherry Hill, NJ
3/25/08

EXHIBIT "C"

NOTARY ACKNOWLEDGEMENT

Notary:

State of California

County of San Bernardino } ss.

On March 25, 2008 before me, Hema Patel, CSR

personally appeared DADID M. Lackner

Name and Title of Officer

Name(s) of Signer(s)

- ☐ personally known to me
☒ 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.

WITNESS my hand and official seal.

Signature of Notary Public

HEMA PATEL
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES APRIL 05, 2012



First American Title Company
2 First American Way, Santa Ana, CA 92707
Phone - (714)250-4721 Fax - (714)913-6358

SUPPLEMENTAL ESCROW INSTRUCTIONS

TO: **First American Title Company ("First American")**
Attn: **Robert Benavente (Escrow Officer)**

Date: **July 28, 2008**
File No.: **OSA-3115482 (RCB)**

Property: **1585 West Redlands Blvd. Redlands, CA**

SIGNATURE

This escrow has been opened pursuant to that certain real estate purchase of an easement agreement entitled "**Agreement for Purchase and Sale of an Easement**" dated as of **July 1, 2008** ("Purchase Agreement") by and between **Michael David Morvai and Mina Rachel Schnitzer, Trustees of the Morvai Trust, a Revocable Trust, dated June 16, 1992, as to an undivided 33.33% interest and Michael David Morvai and Bobbette Devorah Litvak Morvai, as Trustees of the Michael David Morvai and Bobbette Devorah Litvak Morvai Trust, dated June 29, 1993, as to an undivided 25.15% interest and David M. Lackner, Trustee of the 1989 Edward Lackner Trust, as to an undivided 41.52% interest** ("Seller") and **City of Redlands, a municipal corporation** ("Buyer") with regard to that certain real property commonly described as **1585 West Redlands Blvd.**, in the City of **Redlands**, County of **San Bernardino**, State of **California** ("State") as further legally described on **Exhibit 'A'** attached hereto and incorporated herein by reference (the "Real Property"). The terms and conditions of the Purchase Agreement are incorporated herein by reference. First American has been requested to act as escrow agent for the Buyer and Seller (jointly referred to as the "Parties" and individually as a "Party") under the Purchase Agreement.

First American is willing to act as escrow agent ("Escrow Agent") for the parties pursuant to the Purchase Agreement subject to the following terms and conditions.

1. **Obligations of Escrow Agent:** Escrow Agent shall be responsible only for the applicable portions of Purchase Agreement dealing with financing, escrow, allocation of costs, title and vesting, prorations, property taxes, title insurance, delivery of documents and Seller's assignment of proceeds to pay the broker commission, if any.
2. **Satisfaction of Executory Terms:** Pursuant to the Purchase Agreement, the consummation of the escrow is subject to satisfaction of certain executory terms and provisions which are not the responsibility of Escrow Agent. The Parties shall be solely responsible for determining such satisfaction and shall notify Escrow Agent in writing in a form reasonably satisfactory to Escrow Agent when such executory terms have been fully satisfied or are otherwise waived. Escrow Agent's receipt of such written acknowledgment shall constitute a direction to Escrow Agent to close the Escrow.
3. **General Provisions:** Escrow Agent's duties and responsibilities in this escrow are subject to the General Provisions. To the extent that the Purchase Agreement is inconsistent with the General Provisions, the terms of the General Provisions shall control as to Escrow Agent's rights, duties and responsibilities.
4. **Clarification of Purchase Agreement Terms:**
 - (a) **Sales Price:** The sales price of the Real Property is **\$203,303.98**

(b) **Close of Escrow:** Close of escrow shall occur on **09/29/2008**.

Closing Funds: Funds to close escrow must be received in a form sufficient to satisfy applicable good funds laws of the State. All funds in excess of \$100,000 must be wire transferred to Escrow Agent.

Requirements for Interest Bearing Accounts: In the event that Escrow Agent is requested to deposit funds in an interest-bearing account, Escrow Agent shall not be obligated to open such account until Escrow Agent has received an executed Form W-9 with appropriate taxpayer information from the Party to whose benefit the interest will accrue. The Parties acknowledge receipt of a form entitled "Notice of Opportunity to Earn Interest" delivered concurrently with this Escrow Instruction. The Parties acknowledge that Escrow Agent shall be entitled to a fee of \$50.00 for opening any interest bearing account.

Funds Held Fee: If the event that funds remain in escrow for any reason more than 90 days after the close of escrow, or if escrow has not closed 90 days after the estimated closing date set forth in the existing escrow instructions to Escrow Holder ("Dormancy Period"), Escrow Holder will make reasonable efforts to notify the parties regarding same. If funds remain in escrow beyond the Dormancy Period, a monthly "funds held fee" of \$25.00 shall accrue for each month or fraction of a month thereafter that the funds, or any portion thereof, remain in escrow. Escrow Holder is instructed to deduct the monthly funds held fee directly from the funds held in escrow on a monthly or other periodic basis (i.e. quarterly, semi-annually, etc.). The parties agree to pay these sums to compensate Escrow Holder for administering, monitoring, accounting, reminders and other notifications and processing of the funds so held in accordance with this provision.

Document/Funds Delivery: After close of escrow, all documents, funds and statements are to be sent to the undersigned at the addresses provided to Escrow Agent.

Escrow Fees: Escrow Agent shall allocate fees and costs between the Parties in accordance with the Purchase Agreement. The Parties understand that in the event of cancellation of this Escrow, Escrow Agent shall be entitled to a cancellation fee and reimbursement of any direct costs incurred at the request of a Party.

SELLER:

Michael David Morvai and Mina Rachel Schnitzer, Trustees of the Morvai Trust, a Revocable Trust, dated June 16, 1992, as to an undivided 33.33% interest

Michael David Morvai, Trustee

Mina Rachel Morvai Schnitzer, Trustee

David M. Lackner, Trustee of the 1989 Edward Lackner Trust, as to an undivided 41.52% interest

David M. Lackner, Trustee

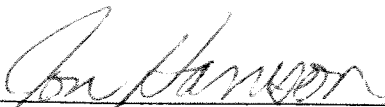
Michael David Morvai and Bobbette Devorah Litvak Morvai, as Trustees of the Michael David Morvai and Bobbette Devorah Litvak Morvai Trust, dated June 29, 1993, as to an undivided 25.15% interest

Michael David Morvai, Trustee

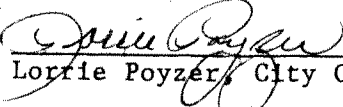
Bobbette Devorah Litvak Morvai, Trustee

BUYER:

City of Redlands, a municipal corporation



By: Its Authorized Signer
Jon Harrison, Mayor

ATTEST: 

Lorrie Poyzer, City Clerk

EXHIBIT A

LEGAL DESCRIPTION EASEMENT ACQUISITION, PARCEL Q

REAL PROPERTY IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL 1 OF PARCEL MAP NO. 7310 IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 75, PAGES 38 AND 39, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

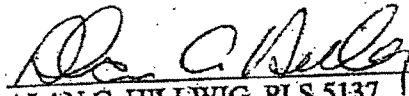
BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 1; THENCE NORTHERLY, NORTHEASTERLY AND SOUTHEASTERLY ALONG THE FOLLOWING THREE (3) COURSES OF SAID PARCEL 1:

1. NORTH $00^{\circ}58'26''$ WEST, A DISTANCE OF 223.49 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 20.00 FEET;
2. THENCE NORTHEASTERLY ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF $93^{\circ}10'43''$ AND AN ARC LENGTH OF 32.53 FEET, TO THE BEGINNING OF A COMPOUND TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2745.00 FEET;
3. THENCE SOUTHEASTERLY ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF $05^{\circ}38'51''$ AND AN ARC LENGTH OF 270.57 FEET, A RADIAL TO WHICH BEARS NORTH $07^{\circ}51'08''$ EAST, TO THE EASTERLY LINE OF SAID PARCEL 1, (THE INITIAL RADIAL LINE BEARS NORTH $02^{\circ}12'17''$ EAST);

THENCE SOUTH $00^{\circ}56'43''$ EAST ALONG SAID EASTERLY LINE, A DISTANCE OF 3.98 FEET, TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 3073.79 FEET; THENCE NORTHWESTERLY ALONG SAID NON-TANGENT CURVE THROUGH AN ANGLE OF $04^{\circ}36'47''$ AND AN ARC LENGTH OF 247.48 FEET, (THE INITIAL RADIAL LINE BEARS NORTH $07^{\circ}21'31''$ EAST); THENCE SOUTH $45^{\circ}51'31''$ WEST, A DISTANCE OF 46.68 FEET; THENCE SOUTH $00^{\circ}58'26''$ EAST, A DISTANCE OF 62.64 FEET; THENCE SOUTH $01^{\circ}29'58''$ EAST, A DISTANCE OF 90.37 FEET; THENCE SOUTH $01^{\circ}43'38''$ WEST, A DISTANCE OF 52.36 FEET, TO THE SOUTHERLY LINE OF SAID PARCEL 1; THENCE SOUTH $89^{\circ}33'37''$ WEST ALONG SAID SOUTHERLY LINE, A DISTANCE OF 8.36 FEET, TO THE POINT OF BEGINNING.

SAID DESCRIPTION CONTAINS 4,254 SQUARE FEET, MORE OR LESS.

HILLWIG-GOODROW, LLC
PREPARED UNDER THE SUPERVISION OF:



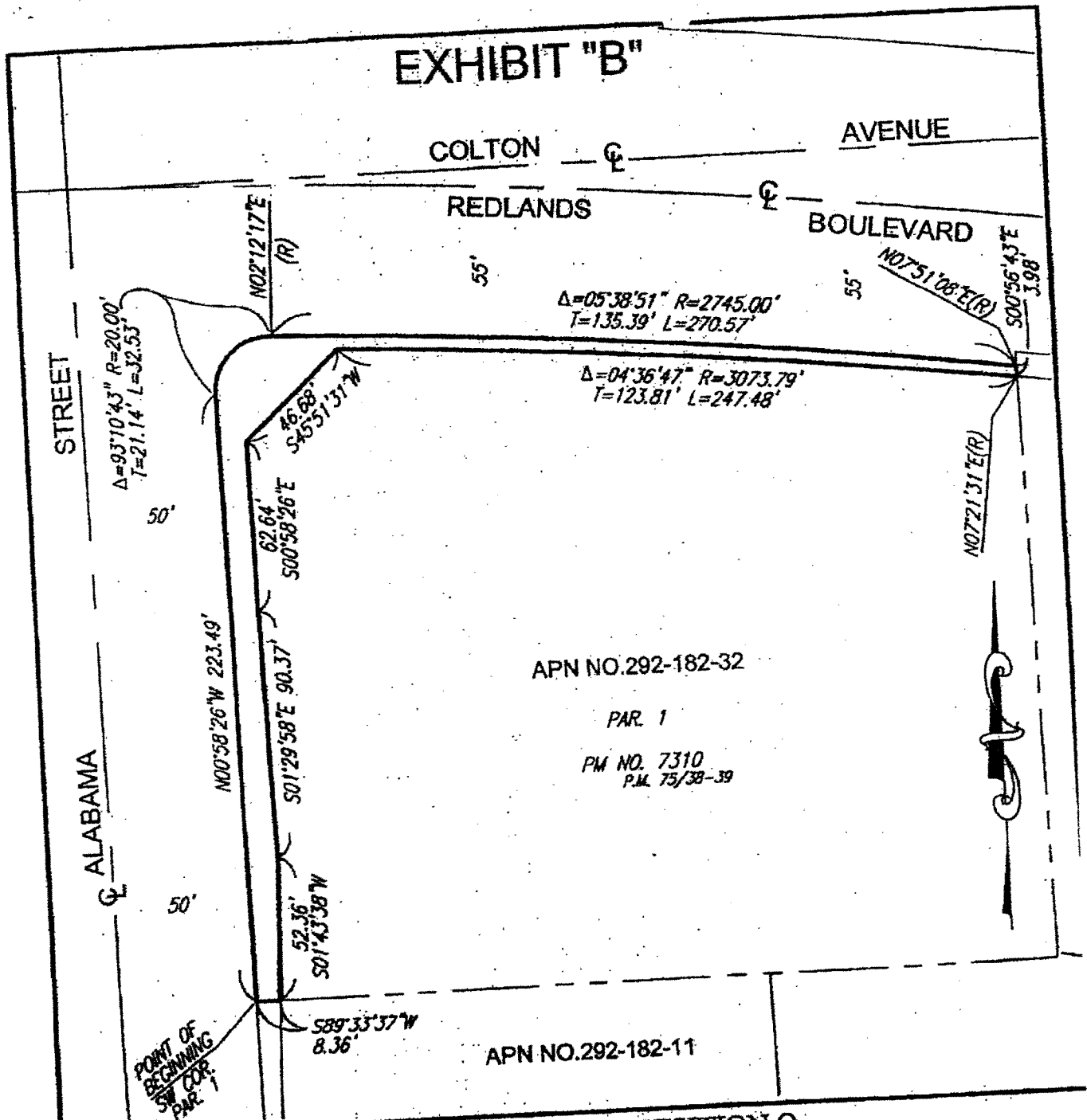
ALAN C. HILLWIG, PLS 5137

DATE: Oct. 17, 2005



e

EXHIBIT "B"



ACQUISITION Q APN NO. 292-182-32

PREPARED FOR PARSONS BRINCKERHOFF

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT, IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

PREPARED BY:

DATE:

Alan C. Hillwig
Oct. 17, 2005

PAR:

P.N. #317-01

PREPARED BY: H-G, LLC

SCALE: 1"=50'

DATE: SEPTEMBER 2005

SHEET 1 OF 1