ACKNOWLEDGMENT & ACCEPTANCE AGREEMENT

This Acknowledgment and Acceptance Agreement ("this Agreement") is made as of this 5th day of September, 2006, by Robert Pattillo Properties, Inc., a Georgia corporation ("RPP") and The City of Redlands, a California municipality ("the City").

WITNESSETH:

WHEREAS, RPP has, in accordance with permits and approvals issued by the City, constructed a well for non-potable water upon certain land owned by RPP located in the City of Redlands, County of San Bernardino, State of California ("the Well");

WHEREAS, RPP desires to give and the City desires to accept ownership of and full responsibility for the Well, all of its related piping and structures and of the property (described on Exhibit "A" attached hereto and made a part hereof by this reference) upon which the Well lies ("the Property"); and

WHEREAS, the City currently uses and will continue to use the Well and the Property in order to service the City's water system for public purposes.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), in hand paid by the City to RPP, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 1. The Well and the Property are hereby given and conveyed by RPP and accepted by the City on an AS IS, WHERE IS BASIS ONLY, WITHOUT REPRESENTATION OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, CONDITION, FITNESS, OR HABITABILITY THEREOF OR AS TO THE USE FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS.
- 2. RPP hereby gives and the City hereby accepts the Well and the Property, and the City acknowledges and agrees that the Well has been fully constructed and completed in accordance with the municipal standards of the City and in accordance with all applicable laws, ordinances, codes, covenants, and regulations.

IN WITNESS WHEREOF, the Undersigned have hereunto set their hands and seals, as of the day and year first above written.

Robert Pattillo Properties, Inc.	The City of Redlands
a Georgia corporation /	a California municipality
By: Che William	By: And mussin
Clay W Reese, Vice President	Name: Jon Harrison
	Title: Mayor, City of Redlands
[CORPORATE SEAL]	Attact. Orgin (2000)
	Attest: Some Gayen
	Name: Lorrie Povzer
	Title: City Clerk, City of Redlands

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LARRY WALKER
Auditor/Controller – Recorder
P Counter

RECORDING REQUESTED BY AND, WHEN RECORDED, RETURN TO AND MAIL TAX STATEMENTS TO:

City Clerk's Office City of Redlands 35 Cajon Street, Ste 4 P.O. Box 3005 Redlands CA 92373 Doc#: 2006 — 0613702

 Titles:
 1
 Pages:

 Fees
 0.00

 Taxes
 0.00

 Other
 0.00

 PAID
 \$0.00

FEES NOT REQUIRED
PER COVERNMENT CODE

SECTION 6103
DOCUMENTARY TRANSFER TAX \$______

.....Computed on the consideration or value of property conveyed; OR

.....Computed on the consideration or value less liens or encumbrances remaining at time of sale

Signature of Declarant or Agent determining tax – Firm Name

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **ROBERT PATTILLO PROPERTIES**, **INC.**, a **Georgia corporation**, hereby GRANTS to **THE CITY OF REDLANDS**, a **California municipality**, the real property located in the City of Redlands, County of San Bernardino, State of California, more particularly described on <u>Exhibit "A"</u> attached hereto and incorporated herein by reference.

Dated: September 1, 2006

ROBERT PATTILLO PROPERTIES, INC.

a Georgia dorporation

By:

Clay W. Reese, Vice President

STATE OF GEORGIA

OF

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DEKALB

On September 1, 2006, before me, DONNA K. SCHUSTER, personally appeared CLAY W. REESE personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose names is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signatures on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature

COUNTY

huster

615/018325-0010 182099.02 a05/09/06



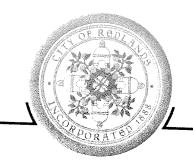
EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL 8 OF PARCEL MAP 15565 IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 198, PAGES 49 TO 56, OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT "A"
TO GRANT DEED

City of Redlands



September 12, 2006

Office of the Assessor County of San Bernardino 172 West Third Street 4th Floor - Real Property San Bernardino, California 92415

Gentlemen:

The City of Redlands has acquired the property described below for public use:

Previously Assessed To

Date Recorded

Property APN

Robert Pattillo Properties, Inc. 9-07-2006

0167-581-02

At this time, the City of Redlands requests removal of this parcel from the tax rolls and waiver of the taxes. A copy of the grant deed is enclosed for your information.

Your assistance is appreciated.

Sincerely,

Lorrie Poyzer

City Clerk

LP: tb Enclosure

xc: Tina Kundig, Finance Director