



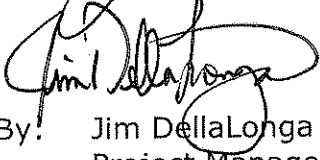
RECOMMENDATIONS

Staff recommends the City Council:

- approve the Agreement for Reciprocal Conveyance and
- authorize the City Manager to execute the Agreement and any other pertinent documents to effectuate the Agreement.



CHET YOSHIZAKI  
Economic Development Director



By: Jim DellaLonga  
Project Manager

Attachment 1: Site Map

Attachment 2: Agreement for Reciprocal Conveyance

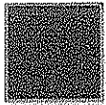
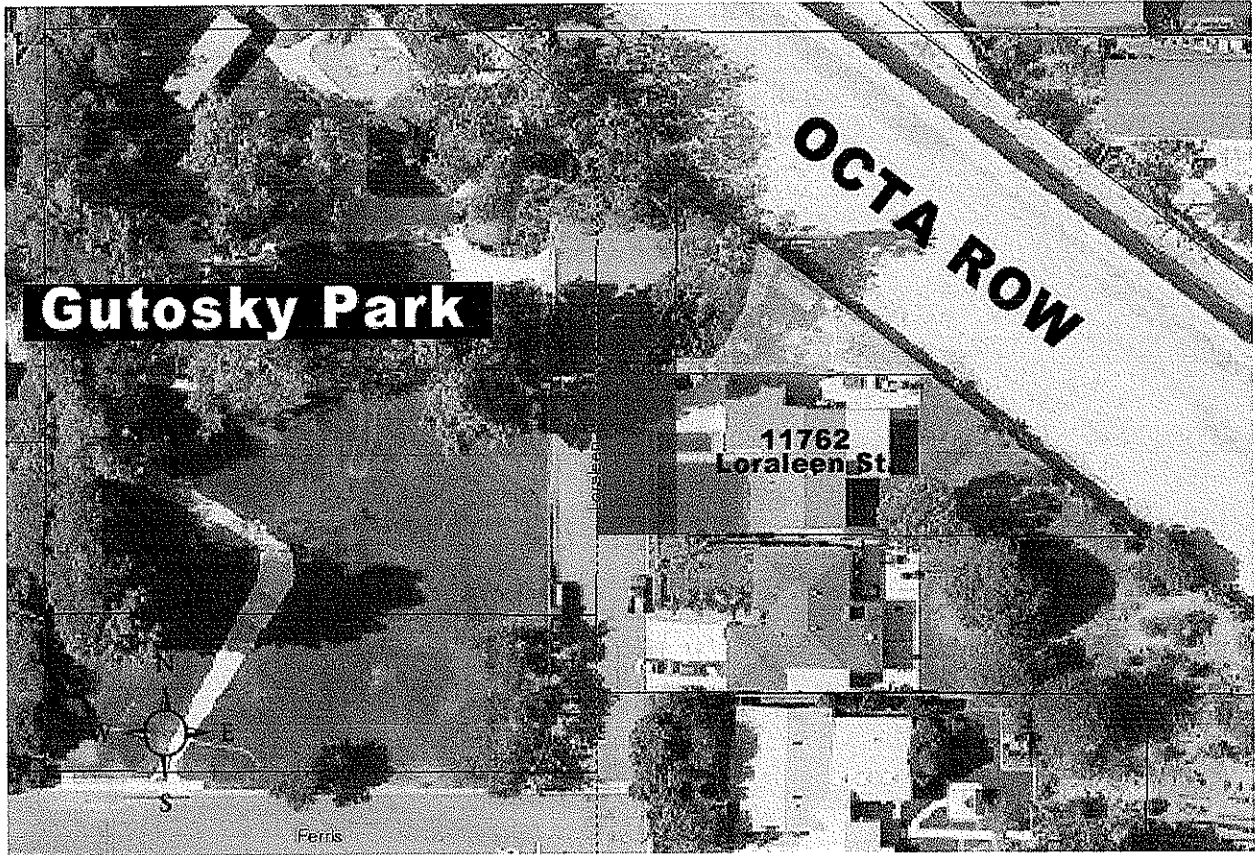
mm(h:Staff/JD/Reciprocal Agreement sr 060810.doc)

**Recommended for Approval**

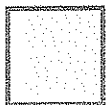


**Matthew Feral**  
City Manager

**ATTACHMENT 1**  
**SITE MAP**



Land from Property Owner to City



Land from City to Property Owner

**AGREEMENT FOR RECIPROCAL CONVEYANCE OF  
REAL PROPERTY AND ESCROW INSTRUCTIONS**

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THIS AGREEMENT FOR RECIPROCAL CONVEYANCE OF REAL PROPERTY AND ESCROW INSTRUCTIONS (the "**Agreement**") is made and entered into as of \_\_\_\_\_, 2010, by and between the CITY OF GARDEN GROVE, a municipal corporation ("**City**") and JOHN G. HUGHES and SHEILA M. BEHRENS, individuals ("**JHSB**"), (City and JHSB) shall sometimes hereinafter be referred to individually as "**Party**" or collectively as "**Parties**") with reference to the following facts:

**RECITALS**

A. City is the owner of certain unimproved real property comprised of approximately 1,800 square feet, located adjacent to 11762 Loreleen Street, City of Garden Grove, County of Orange, State of California, designated by Assessor's Parcel No. 132-424-14, and more particularly described on **Exhibit A** attached hereto (the "**City Parcel**").

B. JHSB is the owner of certain unimproved real property comprised of approximately 1,872 acres, located at 11762 Loreleen Street, City of Garden Grove, County of Orange, State of California, over which City desires to acquire in fee, right of way for public street and highway purposes to be designated as "Loreleen Street," and more particularly described on **Exhibit B** attached hereto (the "**JHSB Parcel**").

C. City desires to acquire the JHSB Parcel and convey to JHSB the City Parcel as an equal value transaction.

D. The opinion of value of the JHSB Parcel is \$42,000 and the opinion of value of the City Parcel is \$42,000. Therefore, this reciprocal conveyance of parcels is more or less of equal value.

**AGREEMENT**

NOW, THEREFORE, in reliance of the above Recitals, and for and in consideration of the mutual covenants and agreements contained in this Agreement, the Parties hereby agree as follows:

1. CONVEYANCE OF PARCELS.

1.1. City Parcel. Subject to and in accordance with the terms and conditions hereinafter set forth, the City shall (a) convey the City Parcel to JHSB by grant deed substantially in the form attached hereto as **Exhibit C** ("**City Deed**"), and (b) transfer, assign and convey to JHSB all of City's rights, title, and interest in all improvements, assets, and rights benefiting the City Parcel, by Blanket Assignment and Bill of Sale substantially in the form attached hereto as **Exhibit D** ("**Bill of Sale**").

1.2. JHSB Parcel. Subject to, and in accordance with the terms and conditions hereinafter set forth, JHSB shall convey the JHSB Parcel to the City by deed substantially in the form attached hereto as **Exhibit E** ("**JHSB Deed**").

2. **PURCHASE PRICE**. The Parties agree, that the reciprocal conveyance of the City Parcel and the JHSB Parcel is deemed to be an equal value transaction with each Party benefit having the approximate value of \$42,000. City and JHSB further agree that the City's conveyance of the City Parcel, and JHSB's conveyance of the JHSB Parcel to the City, represent full compensation due each Party for the respective lands and rights therein and thereto being conveyed.

2.1. Possession and Use/Right of Entry. It is mutually understood and agreed by and between the parties hereto that the right of possession and use of the JHSB Parcel by the City, including the right to remove and dispose of improvements, shall commence upon the execution of this Agreement by JHSB. The Purchase Price includes, but is not limited to, full payment for such possession and use.

### 3. **ESCROW**.

3.1. Opening of Escrow. Within five (5) business days after execution of this Agreement by the last of City or JHSB, City shall open an escrow (the "**Escrow**") with West Coast Escrow ("**Escrow Holder**"), at the address set forth in Section 9.11 by depositing with Escrow Holder this Agreement fully executed. The date Escrow Holder agrees to act as escrow holder by signing the "**Acceptance by Escrow Holder**" provision on page 14 of this Agreement shall be deemed the "**Opening of Escrow**" and Escrow Holder shall advise City and JHSB of such date in writing.

3.2 Reserved.

3.3. Escrow Instructions. This Agreement shall constitute the basic escrow instructions to Escrow Holder. City and JHSB agree to execute such additional instructions and documents reasonably required by Escrow Holder to complete the closing of the reciprocal conveyances of the City Parcel and the JHSB Parcel provided, however, that no escrow instructions shall modify or amend any provision of this Agreement, unless expressly set forth in writing by mutual consent of City and JHSB. In the event there is a conflict between any such standard or usual provisions and the provisions of this Agreement, the provisions of this Agreement shall control. (The City Parcel and the JHSB Parcel may sometimes hereinafter collectively be referred to as the "**Parcels**")

3.4 Escrow Fees and Other Charges. City shall pay all escrow fees and charges including, but not limited to, the cost for title reports and policy of title insurance for the Parcels.

3.5 Closing Documents. The Parties shall deposit the following with Escrow Holder prior to the Close of Escrow:

3.5.1. City's Deposits. City shall deposit:

- (a) the City Deed, duly executed and acknowledged;
- (b) the Bill of Sale, duly executed;
- (c) a duly executed Certificate of Acceptance for the JHSB Parcel substantially in the form attached to the JHSB Deed; and
- (d) Funds sufficient to cover (1) the cost of title insurance for the City Parcel in the minimum amount of \$1,000; (2) the cost of any title insurance for the JHSB Parcel; and (3) all other escrow fees and closing costs.

3.5.2. JHSB's Deposits. JHSB shall deposit:

- (a) the JHSB Deed duly executed and acknowledged.

3.5.3. Deposits of Additional Instruments. City and JHSB shall each deposit such other instruments as are reasonably required by Escrow Holder or otherwise required to proceed to the Close of Escrow and consummate the conveyance of the Parcels in accordance with the terms of this Agreement.

3.6 Title Review.

3.6.1 Preliminary Title Reports. City acknowledges receipt of ALTA Policy No. 27-031-06-82586, dated June 17, 2006 issued by Fidelity National Title Insurance Company (the "**Title Company**"), covering the JHSB Parcel; and JHSB acknowledges receipt of Preliminary Title Report Order 28664, dated January 25, 2010 issued by Western Resources Title, covering the City Parcel. ALTA Policy No. 27-031-06-82586 and Preliminary Title Report Order 28664 shall sometimes hereinafter singularly be referred to as "**Title Report**" or collectively as "**Title Reports**".)

3.6.2. Title Conditions.

(a) City Parcel. Fee title to the City Parcel shall be conveyed to JHSB free and clear of all recorded liens, encumbrances, assessments, easements, leases and taxes, except:

1. Water rights, claims or title to water, whether or not shown by the public records.

2. An easement for drainage ditches and incidental purposes, recorded August 6, 1951 as book 2213, page 357 of Official Records. In favor of the County of Orange.

(b) JHSB Parcel. Fee title to the JHSB Parcel shall be conveyed to the City free and clear of all recorded liens, encumbrances, assessments, easements, leases and taxes, except:

1.

2.

(c) Permitted Exceptions. **"Permitted Exceptions"** shall mean all exceptions appearing on the Preliminary Title Report which are: (1) standard printed exceptions in the Title Policy issued by Title Company; (2) general and special real property taxes and assessments, a lien not yet due and payable; (3) the recorded easements, leases and taxes listed under Section 3.6.2(a) and Section 3.6.2(b); and (4) any other liens, easements, encumbrances, covenants, conditions and restrictions of record approved, or expressly waived by City or JHSB with respect to the other Party's Parcel.

(d) Disapproved Exceptions. All recorded liens, encumbrances, assessments, easements, leases, and taxes not listed hereinabove in Sections 3.6.2 (a) and (b) nor subsequently waived as provided in Section 3.6.2(c) shall be deemed **"Disapproved Exceptions"**.

(e) Modified or Additional Exceptions. If any supplement to either Title Report is issued prior to the Close of Escrow which shows any new, additional or modified exceptions to the exceptions set forth in the original Title Report(s) (each a **"New Exception"**) then: (1) if such New Exception was created or arose from acts or omissions of the Party conveying the Parcel, or any third party, unless approved in writing by the receiving Party, such New Exception shall constitute a Disapproved Exception which must be removed from title at or before the Close of Escrow in a time and manner acceptable to the Party acquiring the Parcel, (2) if such New Exception appears on the Title Report of the Parcel being acquired by either the City or JHSB and such New Exception was created or arose from acts or omissions of the Party acquiring the Parcel, then such New Exception shall constitute a Permitted Exception.

### 3.6.3. Failure to Cure.

(a) If City or JHSB elects not to commit to remove, or cause the Title Company to endorse over a Disapproved Exception at the Close of Escrow (other than a monetary lien or encumbrance, as to which the Parties' obligation to remove or cause the Title Company to endorse over is absolute and a failure to do so is a breach of this Agreement), the other Party shall have the option, to be exercised within five (5) days after receipt of notice thereof, to (1) elect to terminate this Agreement, in which case the provisions of Section 3.9 (Failure to Close; Terminate) shall apply, or (2) waive its objection to the Disapproved Exceptions by delivering written notice of such waiver to the other Party and Escrow Holder.

(b) If, despite City's or JHSB's best efforts, such Party is unable to remove or to cause the Title Company to endorse over a Disapproved Exception which the Party has committed to cause to be removed or endorsed over, the other Party shall have the option, on or before the Close of Escrow to: (1) declare the other Party in default hereunder, or (2) waive its objection to the Disapproved

Exceptions in question by delivering notice of such waiver to the other Party and Escrow Holder, and proceed with the Close of Escrow.

3.7. Title Policy. City shall at its sole cost and expense cause a commitment by the Title Company to issue an CLTA Standard Coverage Owner's Policy of Title Insurance (the "**Title Insurance**") showing title to the City Parcel vested in JHSB with liability equal to Forty Two Thousand Dollars (\$42,000), subject only to the Permitted Exceptions. City, at its option, and at its sole cost and expense, may request the Title Company to issue Title Insurance showing fee title to the JHSB Parcel vested in the City, subject only to the Permitted Exceptions.

3.8 Close of Escrow.

3.8.1. Conditions Precedent to Close of Escrow. The Close of Escrow is subject to the satisfaction of the following conditions, or a Party's written waiver of such conditions, on or before the Closing Date.

(a) City shall have performed all obligations to be performed by City pursuant to this Agreement;

(b) JHSB shall have performed all obligations to be performed by JHSB pursuant to this Agreement;

(c) No event or circumstance shall have occurred which would make any of City's representations, warranties and covenants set forth herein untrue as of the Close of Escrow;

(d) No event or circumstance shall have occurred which would make any of JHSB's representations, warranties and covenants set forth herein untrue as of the Close of Escrow;

(e) There shall have occurred no material adverse change in the physical condition of the City Parcel or the JHSB Parcel (such as those caused by natural disasters) which would render either Parcel unsuitable for either party's intended use or which would materially change the value of either Parcel; and

(f) The Title Company is committed to issuing, as of the Closing Date, Title Insurance for each of the Parcels per the provisions of Section 3.7.

3.8.2. Necessary Actions of Escrow Holder. On the Close of Escrow, as defined in Section 3.8.3, Escrow Holder shall:

(a) record the City Deed and the JHSB Deed in the Official Records, Orange County ("**County Recorder**");

(b) pay any transfer taxes;



(c) instruct the County Recorder to return the respective Grant Deed to City and JHSB;

(d) deliver to City and JHSB the respective Title Insurance subject only to the Permitted Exceptions, if any; and

(e) pro-rate any real property taxes and assessments as of the Close of Escrow, on the basis of the most recent tax information, with such pro-rations being based on a three hundred sixty-five (365) day year, and with such pro-ration being final.

3.8.3. Close of Escrow. Provided all of the conditions set forth in Section 3 have been satisfied (or are in a position to be satisfied concurrently with the Close of Escrow), the escrow closing date shall be the date that the City Deed and the JHSB Deed are recorded with the County Recorder, but which date shall be no later than thirty (30) days from the date of this Agreement ("**Close of Escrow**"), or as such Escrow Closing Date may be extended by written mutual agreement of the Parties.

3.9. Failure to Close; Termination. In the event that any condition set forth in Section 3.8.1 is not satisfied or waived, in writing, and the Close of Escrow does not occur within the time required herein due to the failure of such condition, or if the Close of Escrow does not occur within the time frame required herein for any reason other than City's or JHSB's breach of or default of its respective obligations hereunder, or if this Agreement is terminated without default by either Party as otherwise set forth herein, then Escrow Holder; with no further instructions from the Parties hereto, shall return to the depositor thereof any funds, or other materials previously delivered to Escrow Holder, the Escrow shall be automatically terminated and of no force and effect; and City shall pay any Escrow termination fees; and except as otherwise provided herein, the Parties will have no further obligation to one another.

4. Due Diligence. City acknowledges that JHSB has made no representations, warranties, or agreements as to any matters concerning the JHSB Parcel, including, but not limited to, the marketability of title, land, topography, climate, air, water, water rights, utilities, present or future zoning, soil, subsoil, hazardous substances, waste, or materials, the purposes for which the JHSB Parcel is suited, drainage, access to public roads, proposed routes or extension of roads, or the availability of government permits or approvals of any kind. City further acknowledges having made its own independent inspections and investigations as to all matters concerning the JHSB Parcel and agrees to accept said JHSB Parcel in its "as-is" condition. JHSB warrants that, to the best of its present knowledge, there are no unrecorded encumbrances (including, but not limited to, liens, leases, easements or licenses) on all or any portion of the JHSB Parcel.

JHSB acknowledges that City has made no representations, warranties, or agreements as to any matters concerning the City Parcel, including, but not limited to, the marketability of title, land, topography, climate, air, water, water rights, utilities, present or future zoning, soil, subsoil, hazardous substances, waste, or materials, the purposes for which the City Parcel is suited, drainage, access to public roads, or the

availability of government permits or approvals of any kind. JHSB further acknowledges having made its own independent inspections and investigations as to all matters concerning the City Parcel and agrees to accept said City Parcel in its "as-is" condition. City warrants that, to the best of its present knowledge, there are no unrecorded encumbrances (including, but not limited to, liens, leases, easements or licenses) on all or any portion of the City Parcel.

## 5. COVENANT NOT TO FURTHER ENCUMBER THE PARCELS.

City and JHSB shall not, directly or indirectly, alienate, encumber, transfer, option, lease, assign, sell, transfer or convey its interest or any portion of its interest in their respective Parcels, or any portion thereof, or enter into any agreement to do so, so long as this Agreement is in force. City and JHSB shall timely discharge, prior to the Close of Escrow, any and all obligations relating to work performed on or conducted at or materials delivered to or for their respective Parcels in order to prevent the filing of any claim or mechanic's lien with respect to such work or materials.

## 6. REPRESENTATIONS, WARRANTIES AND COVENANTS.

6.1. City's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of City contained in other sections of this Agreement, City hereby represents, warrants and covenants to JHSB as follows, all of which shall survive the Close of Escrow:

6.1.1. City's Authority. City has the capacity and full power and authority to enter into and carry out the agreements contained in, and the transactions contemplated by this Agreement, and that this Agreement has been duly authorized and executed by City and upon delivery to and execution by JHSB, shall be a valid and binding Agreement of City.

6.1.2. Hazardous Substances. To the best of its knowledge, neither City nor any third party has used, generated, manufactured, stored or disposed any Hazardous Substances in, at, on, under or about the City Parcel or transported any Hazardous Substance to or from the City Parcel. Additionally, the City Parcel is not in violation, nor has been or is currently under investigation for violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene, worker health and safety, or to the environmental conditions in, at, on, under or about the City Parcel. As used in this Agreement, the term "**Hazardous Substances**" means any hazardous or toxic substance, material, or waste which is or shall become regulated by any governmental entity or City, including without limitation JHSB, acting in its governmental capacity, the State of California, or the United States government. City shall defend, indemnify and hold harmless JHSB and County of Orange, their officers, directors, employees, agents, shareholders, attorneys and their respective representatives and successors in interest (collectively, "**JHSB Indemnitee**") from any liability, loss, cost, damage or expense, including, without limitation, court costs, expert witness fees and attorneys' fees, that JHSB Indemnitee may suffer or incur as a result of any claim, demand, action, cost or judgment made or obtained by any individual, partnership,

cooperation, entity, governmental City or person which arises out of or results from the presence or existence of Hazardous Substances above, below or on the City Parcel to the extent that such Hazardous Substances are or were located in such locations prior to the Close of Escrow.

6.1.3. Legal Actions. There is no known suit, action or arbitration, or legal, administrative, or other proceeding or governmental investigation, formal or informal, including but not limited to eminent domain, condemnation, assessment district or zoning change proceeding, pending or threatened, or any judgment, moratorium or other government policy or practice which affects the City Parcel, or which adversely affects City's ability to perform hereunder, nor does City know of any fact which might give rise to any such action, investigation or proceeding.

6.2. JHSB's Representations and Warranties. JHSB represents and warrants to City as follows, all of which shall survive the Close of Escrow:

6.2.1. JHSB's Authority. JHSB has the capacity and full power and authority to enter into and carry out the agreements contained in, and the transactions contemplated by this Agreement, and that this Agreement has been duly authorized and executed by JHSB and upon delivery to and execution by City, shall be a valid and binding Agreement of JHSB.

6.2.2. Hazardous Substances. To the best of its knowledge, neither JHSB nor any third party has used, generated, manufactured, stored or disposed any Hazardous Substances in, at, on, under or about the JHSB Parcel or transported any Hazardous Substance to or from the JHSB Parcel. Additionally, the JHSB Parcel is not in violation, nor has it been or is it currently under investigation for violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene, worker health and safety, or to the environmental conditions in, at, on, under or about the JHSB Parcel. JHSB shall defend, indemnify and hold harmless City and its officers, directors, employees, agents, shareholders, attorneys and their respective representatives and successors in interest (collectively, "**City Indemnitee**") from any liability, loss, cost, damage or expense, including, without limitation, court costs, expert witness fees and attorneys' fees, that City Indemnitee may suffer or incur as a result of any claim, demand, action, cost or judgment made or obtained by any individual, partnership, cooperation, entity, governmental City or person which arises out of or results from the presence or existence of Hazardous Substances above, below or on the JHSB Parcel to the extent that such Hazardous Substances are or were attributable to JHSB's operations on or about the JHSB Parcel prior to the Close of Escrow.

6.2.3. Legal Actions. There is no known suit, action or arbitration, or legal, administrative, or other proceeding or governmental investigation, formal or informal, including but not limited to eminent domain, condemnation, assessment JHSB or zoning change proceeding, pending or threatened, or any judgment, moratorium or other government policy or practice which affects the JHSB Parcel, or which adversely affects JHSB's ability to perform hereunder, nor does JHSB know of any fact which might give rise to any such action, investigation or proceeding.

Each of the representations and warranties made by the Parties in this Agreement, or in any exhibit or on any document or instrument delivered pursuant hereto, shall be continuing representations and warranties which shall be true and correct on the date hereof, and shall be deemed to be made again as of the Close of Escrow, and shall then be true and correct. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of City and JHSB contained in this Agreement, are conditions precedent to the Close of Escrow. City and JHSB shall each immediately notify the other of any facts or circumstances which are contrary to the foregoing representations and warranties contained in this Section 6.

#### 7. CONDEMNATION.

City and JHSB acknowledge that this transaction is a negotiated settlement in lieu of condemnation, and JHSB hereby agrees and consents to the dismissal or abandonment of any eminent domain action in the Superior Court of the State of California in and for the County of Orange, wherein the herein described property is included and also waives any and all claims to any money on deposit in the action and further waives all attorneys' fees, costs, disbursements, and expenses incurred in connection therewith. Moreover, the total compensation to be paid by City to JHSB is for all of JHSB's interest in the Property and any rights which exist or may arise out of the acquisition of the Property for public purposes, including without limitation, JHSB's interest in the land and any improvements and fixtures and equipment located thereon, improvements pertaining to the realty (if any), severance damages, any alleged pre-condemnation damages, loss of business goodwill (if any), costs, interest, attorney's fees, and any claim whatsoever of JHSB which might arise out of or relate in any respect to the acquisition of the Property by the City.

#### 8. BROKERS.

City and JHSB each represents and warrants to the other that they have not dealt with or been represented by any brokers or finders in connection with the purchase and sale of the Parcels and that no commissions or finder's fees are payable in connection with this transaction. City and JHSB each agree to indemnify and hold harmless the other against any loss, liability, damage, cost, claim or expense (including reasonable attorneys' fees) incurred by reason of breach of the foregoing representation by the indemnifying Party. Notwithstanding anything to the contrary contained herein, the representations, warranties, indemnities and agreements contained in this Section 8 shall survive the Close of Escrow or earlier termination of this Agreement.

#### 9. GENERAL PROVISIONS.

9.1. Counterparts; Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

9.2. Entire Agreement. This Agreement, together with all exhibits hereto and documents referred to herein, if any, constitute the entire agreement among

the Parties hereto with respect to the subject matter hereof, and supersede all prior understandings or agreements. This Agreement may be modified only by a writing signed by both Parties. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement.

9.3. Headings. Headings used in this Agreement are for convenience of reference only and are not intended to govern, limit, or aid in the construction of any term or provision hereof.

9.4. Choice of Law. This Agreement and each and every related document are to be governed by, and construed in accordance with, the laws of the State of California.

9.5. Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction or rendered by the adoption of a statute by the State of California or the United States invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby;

9.6. Waiver of Covenants, Conditions or Remedies. The waiver by one Party of the performance of any covenant, condition or promise, or of the time for performing any act, under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such Party of any other covenant, condition or promise, or of the time for performing any other act required, under this Agreement. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other remedies.

9.7. Legal Advice. Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to the fair meaning and not for or against any Party based upon any attribution of such party as the sole source of the language in question.

9.8. Relationship of Parties. The Parties agree that their relationship is that of conveyancer and conveyancee, and that nothing contained herein shall constitute either Party, the agent or legal representative of the other for any purpose whatsoever, nor shall this Agreement be deemed to create any form of business organization between the Parties hereto, nor is either party granted the right or authority to assume or create any obligation or responsibility on behalf of the other Party, nor shall either party be in any way liable for any debt of the other.

9.9. Attorneys' Fees. In the event that either Party hereto institutes an action or proceeding for a declaration of its rights under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of this



If to Escrow Holder, to:     Attn: Paula Vinnedge  
  West Coast Escrow  
  2112 E. 4<sup>th</sup> Street  
  Santa Ana, CA 92705  
  Facsimile No.: 714 777-5600  
  Telephone No.: 714 777-4600

Notices delivered by courier shall be deemed to have been given the next business day after deposit with the courier and notices mailed shall be deemed to have been given on the second day following deposit of same in any United States Post Office mailbox in the state to which the notice is addressed or on the third day following deposit in any such post office box other than in the state to which the notice is addressed, postage prepaid, addressed as set forth above. Notices sent via facsimile shall be deemed delivered the same business day transmitted if transmitted before 4:30 P.M. (PT), otherwise shall be deemed delivered on the following business day. The addressees, addresses, and facsimile numbers for the purpose of this section, may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice of change is received, the last addressee, address, and facsimile number stated by written notice, or provided herein if no such written notice of change has been received, shall be deemed to continue in effect for all purposes hereunder.

9.12. Survivability. All covenants of City or JHSB which are intended hereunder to be performed in whole or in part after Close of Escrow and all representations, warranties, and indemnities by either Party to the other, shall survive Close of Escrow and delivery of the City Deed and the JHSB Deed, and be binding upon and inure to the benefit of the respective Party.

9.13 City Council Approval of Agreement. This Agreement is subject to the approval of the City Council of the City. If this Agreement remains unapproved by the City, then the Parties will have no further obligation under this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the  
day and year first above written.

CITY

JHSB

CITY OF GARDEN GROVE, a municipal  
corporation.

  
John G. Hughes

By: \_\_\_\_\_

Title:

  
Sheila M. Behrens

Attest:

By: \_\_\_\_\_

City Clerk

Approved as to form by:

WOODRUFF, SPRADLIN & SMART



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

CITY

JHSB

CITY OF GARDEN GROVE, a municipal corporation.

\_\_\_\_\_  
John G. Hughes

\_\_\_\_\_  
By:

Title:

\_\_\_\_\_  
Sheila M. Behrens

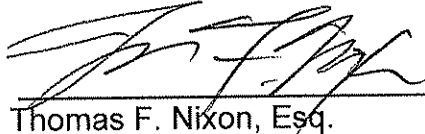
Attest:

\_\_\_\_\_  
By:

City Clerk

Approved as to form by:

WOODRUFF, SPRADLIN & SMART



\_\_\_\_\_  
Thomas F. Nixon, Esq.  
City Attorney

Exhibit List

- Exhibit A -- Legal Description of the City Parcel
- Exhibit B -- Legal Description of the JHSB Parcel
- Exhibit C -- Form of City Deed
- Exhibit D -- Form of Blanket Assignment and Bill of Sale
- Exhibit E -- Form of JHSB Deed

**ACCEPTANCE BY ESCROW HOLDER:**

WEST COAST ESCROW hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement for Reciprocal Conveyance of Real Property and Escrow Instructions, dated \_\_\_\_\_ by and between the CITY OF GARDEN GROVE, and JOHN G. HUGHES and SHEILA M. BEHRENS, and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder. By agreeing to act as Escrow Holder hereunder, Escrow Holder expressly agrees to undertake and be responsible for all withholding obligations imposed pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended and the regulations thereunder and California Revenue and Taxation Code §18662, if any, and shall defend, indemnify and hold exchange parties harmless in connection with such obligations.

Date: \_\_\_\_\_

WEST COAST ESCROW

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

## EXHIBIT A

### CITY PARCEL LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY EXTENSION OF THE CENTER LINE OF LORALEEN STREET AS SHOWN ON A MAP OF TRACT NO. 1543, RECORDED IN BOOK 46, PAGE 8, MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, WITH THE SOUTHWESTERLY LINE OF THE PACIFIC ELECTRIC RAILWAY RIGHT OF WAY; THENCE S 0° 48' 51" E 96.70 FEET ALONG SAID NORTHERLY EXTENSION TO THE SOUTHWEST CORNER OF THE LAND CONVEYED TO LANDSDALE-RUDIMAR BUILDERS, INC., BY DEED RECORDED JULY 16, 1951 IN BOOK 2137, PAGE 628 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY; THENCE N 89° 20' 29" E 30.00 FEET ALONG THE SOUTHERLY LINE OF SAID DEED TO THE TRUE POINT OF BEGINNING; THENCE 0° 48' 51" W 6.44 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 18.38 FEET, TO WHICH POINT A RADIAL LINE BEARS N 23° 26' 01" W; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28° 44' 49" AN ARC DISTANCE OF 9.22 FEET; THENCE S 84° 44' 52" E 19.79 FEET; THENCE N 9° 21' 16" E 41.96 FEET TO THE SOUTHWESTERLY LINE OF SAID PACIFIC ELECTRIC RAILWAY; THENCE ALONG SAID SOUTHWESTERLY LINE S 53° 49' 11" E 78.49 FEET TO THE SOUTHEAST CORNER OF SAID DEED; THENCE ALONG SOUTHERLY LINE OF SAID DEED S 89° 20' 29" W 98.82 FEET TO THE TRUE POINT OF BEGINNING.

**EXHIBIT B**

**JHSB PARCEL LEGAL DESCRIPTION**

REAL PROPERTY IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

Portion APN 132-424-04

THE WEST 25.00 FEET OF THAT PORTION OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 4 SOUTH, RANGE 10, WEST, IN RANCHO LOS ALAMITOS, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT ON THE NORTHERLY EXTENSION OF THE CENTERLINE OF LORALEEN STREET, AS SHOWN ON A MAP OF TRACT No. 1543, RECORDED IN BOOK 46, PAGE 8 OF SAID MISCELLANEOUS MAPS, NORTH 0°47' 30" WEST 80.00 FEET FROM THE NORTHERLY LINE OF SAID TRACT No. 1543; THENCE NORTH 89° 25' 45" EAST 290.58 FEET TO THE SOUTHWESTERLY LINE TO THE PACIFIC ELECTRIC COMPANY RIGHT-OF-WAY; THENCE NORTH 53° 46' 50" WEST 202.44 FEET ALONG SAID SOUTHWESTERLY LINE TO THE SOUTHEAST CORNER OF THE LAND CONVEYED TO LANSDALE-RUDIMAR BUILDERS, INC., BY DEED RECORDED JULY 16, 1951 IN BOOK 2137, PAGE 628 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 89° 21' 40" WEST 128.93 FEET ALONG THE SOUTHERLY LINE OF SAID LAND CONVEYED TO LANSDALE-RUDIMAR BUILDERS, INC., TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER BEING ON THE NORTHERLY PROLONGATION OF SAID CENTERLINE; THENCE SOUTH 0° 47' 30" WEST 121.09 FEET TO THE POINT OF BEGINNING.

EXCEPT THE SOUTH 60.00 FEET THEREOF.

**EXHIBIT C**

**FORM OF CITY DEED**

**RECORDING REQUESTED BY**

City of Garden Grove

**WHEN RECORDED RETURN TO:**

John G. Hughes  
Sheila M. Behrens  
11762 Loreleen Street  
Garden Grove, CA 92841

SPACE ABOVE THIS LINE FOR RECORDER'S USE  
Exempt from recording charges under Government Code § 6103

**GRANT DEED**

**APN: 132-424-14**

This transfer is exempt from Documentary Transfer Tax pursuant to Revenue & Taxation Code § 11922.

THE UNDERSIGNED GRANTOR(S) DECLARE(S):

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**CITY OF GARDEN GROVE, a municipal corporation,**

hereby GRANT(S) to:

**JOHN G. HUGHES and SHEILA M. BEHRENS, as joint tenants,**

the real property in Orange County, California, more particularly set forth on Exhibit A attached hereto and incorporated herein by this reference.

**TOGETHER** with:

1. All tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof; and

2. All rights, title, and interests of Grantor in and under all covenants, conditions, restrictions, reservations, easements, and other matters of record, including, without limitation, all rights as "Declarant" under any Declarations of Covenants, Conditions and Restrictions ("Declarations") of record.

**SAID GRANT BEING FURTHER SUBJECT TO:**

1. General and special real property taxes for the current fiscal year and all later years.
2. All assessments imposed by a duly empowered governmental entity, whether or not of record.
3. Any and all declarations, covenants, conditions, restrictions, easements, reservations (including, but not limited to, reservations and exceptions to the mineral estate), rights, and rights of way of record.

CITY OF GARDEN GROVE, a municipal corporation

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

ACKNOWLEDGEMENT

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before 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 under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature

My Commission Expires: \_\_\_\_\_

*This area for official notarial seal*

Exhibit "A" to the Grant Deed

LEGAL DESCRIPTION OF THE CITY PARCEL

REAL PROPERTY IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY EXTENSION OF THE CENTER LINE OF LORALEEN STREET AS SHOWN ON A MAP OF TRACT NO. 1543, RECORDED IN BOOK 46, PAGE 8, MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, WITH THE SOUTHWESTERLY LINE OF THE PACIFIC ELECTRIC RAILWAY RIGHT OF WAY; THENCE S 0° 48' 51" E 96.70 FEET ALONG SAID NORTHERLY EXTENSION TO THE SOUTHWEST CORNER OF THE LAND CONVEYED TO LANDSDALE-RUDIMAR BUILDERS, INC., BY DEED RECORDED JULY 16, 1951 IN BOOK 2137, PAGE 628 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY; THENCE N 89° 20' 29" E 30.00 FEET ALONG THE SOUTHERLY LINE OF SAID DEED TO THE TRUE POINT OF BEGINNING; THENCE 0° 48' 51" W 6.44 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 18.38 FEET, TO WHICH POINT A RADIAL LINE BEARS N 23° 26' 01" W; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28° 44' 49" AN ARC DISTANCE OF 9.22 FEET; THENCE S 84° 44' 52" E 19.79 FEET; THENCE N 9° 21' 16" E 41.96 FEET TO THE SOUTHWESTERLY LINE OF SAID PACIFIC ELECTRIC RAILWAY; THENCE ALONG SAID SOUTHWESTERLY LINE S 53° 49' 11" E 78.49 FEET TO THE SOUTHEAST CORNER OF SAID DEED; THENCE ALONG SOUTHERLY LINE OF SAID DEED S 89° 20' 29" W 98.82 FEET TO THE TRUE POINT OF BEGINNING.



EXHIBIT D

BLANKET ASSIGNMENT AND BILL OF SALE

CITY OF GARDEN GROVE, a a municipal corporation ("City"), and JOHN G. HUGHES and SHEILA M. BEHRENS ("JHSB") have previously entered into that certain Agreement for Reciprocal Conveyance of Real Property and Escrow Instructions dated as of \_\_\_\_\_, 2010 (the "Agreement"), pursuant to which City agreed to convey to JHSB, that certain property located in the City of Garden Grove, County of Orange, California described in more detail on Exhibit A attached hereto and made a part hereof and the improvements located thereon and the rights, privileges and entitlements incident thereto (the "City Parcel").

For good and valuable consideration, receipt of which is hereby acknowledged, City does hereby, give, grant, bargain, sell, transfer, assign, convey and deliver to JHSB, all of City's right, title and interest in all assets, rights, materials and/or claims used, owned or held in connection with the use, management, development or enjoyment of the City Parcel, including, without limitation: (i) all entitlements, subdivision agreements and other agreements relating to the development of City Parcel; (ii) all plans, specifications, maps, drawings and other renderings relating to the City Parcel; (iii) all contract rights, indemnities, warranties, claims and any similar rights relating to and benefiting the City Parcel or the assets transferred hereby; (iv) all intangible rights, goodwill and similar rights benefiting the City Parcel; (v) all development rights benefiting the City Parcel; (vi) all rights, claims or awards benefiting the City Parcel, and (vii) all rights to receive a reimbursement, credit or refund from the applicable City or entity of any deposits or fees paid in connection with the development of the City Parcel.

City hereby covenants that it will, at any time and from time to time upon written request therefor, execute and deliver to JHSB, its nominees, successors and/or assigns, any new or confirmatory instruments and do and perform any other acts which JHSB, its nominees, successors and/or assigns, may request in order to fully transfer possession and control of, and protect the rights of JHSB, its nominees, successors and/or assigns in, all the assets of City intended to be transferred and assigned hereby.

CITY

CITY OF GARDEN GROVE, a municipal  
corporation

By: \_\_\_\_\_  
Name:  
Title:

**Exhibit "A" to Blanket Assignment and Bill of Sale**

**LEGAL DESCRIPTION OF THE CITY PARCEL**

REAL PROPERTY IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY EXTENSION OF THE CENTER LINE OF LORALEEN STREET AS SHOWN ON A MAP OF TRACT NO. 1543, RECORDED IN BOOK 46, PAGE 8, MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, WITH THE SOUTHWESTERLY LINE OF THE PACIFIC ELECTRIC RAILWAY RIGHT OF WAY; THENCE S 0° 48' 51" E 96.70 FEET ALONG SAID NORTHERLY EXTENSION TO THE SOUTHWEST CORNER OF THE LAND CONVEYED TO LANDSDALE-RUDIMAR BUILDERS, INC., BY DEED RECORDED JULY 16, 1951 IN BOOK 2137, PAGE 628 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY; THENCE N 89° 20' 29" E 30.00 FEET ALONG THE SOUTHERLY LINE OF SAID DEED TO THE TRUE POINT OF BEGINNING; THENCE 0° 48' 51" W 6.44 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHERLY HAVING A RADIUS OF 18.38 FEET, TO WHICH POINT A RADIAL LINE BEARS N 23° 26' 01" W; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 28° 44' 49" AN ARC DISTANCE OF 9.22 FEET; THENCE S 84° 44' 52" E 19.79 FEET; THENCE N 9° 21' 16" E 41.96 FEET TO THE SOUTHWESTERLY LINE OF SAID PACIFIC ELECTRIC RAILWAY; THENCE ALONG SAID SOUTHWESTERLY LINE S 53° 49' 11" E 78.49 FEET TO THE SOUTHEAST CORNER OF SAID DEED; THENCE ALONG SOUTHERLY LINE OF SAID DEED S 89° 20' 29" W 98.82 FEET TO THE TRUE POINT OF BEGINNING.

**EXHIBIT E**

**FORM OF STREET DEED AND CERTIFICATE OF ACCEPTANCE**

Recording Requested By:

CITY OF GARDEN GROVE

AND WHEN RECORDED MAIL TO

City of Garden Grove  
P. O. Box 3070  
Garden Grove, CA 92842  
Attn.: Real Property Office  
(Parcel Loreleen 11762)

132-424-04

PORTION OF ASSESSOR PARCEL NUMBER  
Code.

This document is exempt from payment of recording fee  
pursuant to Section 6103 of the Government

By: \_\_\_\_\_

DOCUMENTARY TRANSFER TAX  
Exempt pursuant to Revenue and Taxation Code  
11922

**RIGHT OF WAY GRANT DEED**

**FOR A VALUABLE CONSIDERATION**, receipt of which is hereby acknowledged,

JOHN GREGORY HUGHES, an unmarried man and  
SHEILA MARGARET BEHRENS, a single woman

hereby **GRANT(S)**, to the CITY OF GARDEN GROVE, a municipal corporation, all that real property, in fee simple, in the City of Garden Grove, County of Orange, State of California, described as:

**AS PER LEGAL DESCRIPTION SHOWN IN EXHIBIT A, ATTACHED HERETO AND  
MADE A PART HEREOF**

\_\_\_\_\_  
JOHN GREGORY HUGHES

\_\_\_\_\_  
SHEILA MARGARET BEHRENS

Dated: \_\_\_\_\_

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_ } S.S.

On \_\_\_\_\_ before me

A Notary Public in and for said County and State 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 under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature \_\_\_\_\_

FOR NOTARY SEAL OR STAMP

# GRANT DEED

## City of Garden Grove

APPROVED AS TO FORM OTHER THAN LEGAL  
DESCRIPTION

By: \_\_\_\_\_  
City Attorney

Dated: \_\_\_\_\_

APPROVED AS TO EXECUTION AND DESCRIPTION

By: \_\_\_\_\_  
Right of Way Agent

Dated: \_\_\_\_\_

This is to certify that the interest in real property conveyed by the deed or grant dated \_\_\_\_\_ from \_\_\_\_\_ to the City of Garden Grove a municipal corporation, is hereby accepted by the undersigned officer on behalf of the Garden Grove City Council pursuant to authority conferred by resolution of the City of Garden Grove adopted on July 17, 1978, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Clerk

EXHIBIT "A"  
Portion APN 132-424-04

THE WEST 25.00 FEET OF THAT PORTION OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 4 SOUTH, RANGE 10, WEST, IN RANCHO LOS ALAMITOS, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE A POINT ON THE NORTHERLY EXTENSION OF THE CENTERLINE OF LORALEEN STREET, AS SHOWN ON A MAP OF TRACT No. 1543, RECORDED IN BOOK 46, PAGE 8 OF SAID MISCELLANEOUS MAPS, NORTH 0°47' 30" WEST 80.00 FEET FROM THE NORTHERLY LINE OF SAID TRACT No. 1543; THENCE NORTH 89° 25' 45" EAST 290.58 FEET TO THE SOUTHWESTERLY LINE TO THE PACIFIC ELECTRIC COMPANY RIGHT-OF-WAY; THENCE NORTH 53° 46' 50" WEST 202.44 FEET ALONG SAID SOUTHWESTERLY LINE TO THE SOUTHEAST CORNER OF THE LAND CONVEYED TO LANSDALE-RUDIMAR BUILDERS, INC., BY DEED RECORDED JULY 16, 1951 IN BOOK 2137, PAGE 628 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 89° 21' 40" WEST 128.93 FEET ALONG THE SOUTHERLY LINE OF SAID LAND CONVEYED TO LANSDALE-RUDIMAR BUILDERS, INC., TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER BEING ON THE NORTHERLY PROLONGATION OF SAID CENTERLINE; THENCE SOUTH 0° 47' 30" WEST 121.09 FEET TO THE POINT OF BEGINNING.

EXCEPT THE SOUTH 60.00 FEET THEREOF.