



ORANGE COAST TITLE COMPANY
 Builder Services/Commercial Division
 3536 Concourse Drive #120
 Ontario, CA 91764

PRELIMINARY REPORT

West Coast Escrow
 2112 E. 4th Street
 Santa Ana, Ca 92705

Attention: Paula Vinnege
 Your Reference No.: TN-03575-PV
 Property address: 12931 9th Street
 Garden Grove, CA 92840

Dated: March 24, 2010

In response to the above referenced application for a policy of title insurance, Orange Coast Title Builder Services hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit B attached. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit B. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit B of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters, which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a binder or commitment should be requested.

Dated as of March 19, 2010 at 7:30 A.M.

*ALTA
 Standard
 + 1274*

Helen Johnson

Helen Johnson
 Title Officer
 Phone (909) 987-5433
 Fax (909) 297-2547
 helenj@octitle.com

The form of Policy of Title Insurance contemplated by this report is:
 C.L.T.A. Standard Coverage Policy - 1990 (Owner's Policy or Joint Protection)

SCHEDULE "A"

The estate or interest in the land hereinafter described or referred to covered by this report is:

A fee.

Title to said estate or interest at the date hereof is vested in:

Gene L. Felling and Bobbie F. Felling as Trustees of the Felling Trust dated March 25, 1992

The land referred to in this report is situated in the County of Orange, State of California, and is described as follows:

That portion of Block Six of the "Garden Grove Home Tract", as shown on a Map recorded in Book 4, page 57 of Miscellaneous Maps, records of Orange County, California, described as follows:

Beginning at a point in the East line of said Block Six, which point is 113 feet Southerly from the intersection of the East line with the Easterly extension of the South line of Lot Seven of Tract No. 631, as shown on a Map recorded in Book 20, page 26 of Miscellaneous Maps, records of Orange County, California, said point being also the Southeast corner of the land conveyed to Russell A. Weir and wife by deed recorded September 24th, 1948 in Book 1705, page 416 of Official Records; thence West parallel to the south line of said Lot Seven and the Easterly prolongation thereof 145.67 feet, more or less, to the Southwest corner of said land conveyed to Weir; thence South along the Southerly extension of the Westerly line of said Lot Seven, 53 feet; thence East parallel to the South line of said Lot Seven and the Easterly extension thereof 145.67 feet, more or less, to the East line of said Block Six; thence North 53 feet to the point of beginning.

SCHEDULE "B"

At the date hereof exception to coverage in addition to the printed exceptions and exclusion contained in said policy form would be as follows:

- 1) General and Special taxes for the fiscal year 2010-2011, including any assessments collected with taxes. A lien not yet payable.
- 2) Second installment General and Special taxes for the fiscal year 2009-2010, including any assessments collected with taxes.

1st installment	\$955.99 paid (11/12/2009)
2nd installment	\$955.99 paid (2/16/2010)
Code area	18-153
Parcel No.	090-174-11
Exemption	None
- 3) The lien of supplemental taxes, if any, assessed pursuant to the provisions of section 75, et seq. of the revenue and taxation code of the State of California.
- 4) An easement for purposes herein stated, and rights incidental thereto as provided in an instrument

Recorded:	May 9, 1912 in Book 217 page 133 of Deeds
For:	Road purposes and incidental purposes
In favor of:	The County of Orange
Affects:	A strip of land 40ft. in width, being 20 ft. on each side of the following described center line: Commencing at the S. E. cor. of Blk. 6, of the Garden Grove Home Tract, as per map recorded in Misc. Map Bk. 4, on page 57, of Orange Co. records, the same being the intersection of the center lines of Ocean Ave. and Ninth St. of said subdivision,, thence North along centre line of said Ninth St. and said centre line produced to the centre 1/4 Sec. corner of Sec. 33-T 4S. R. 10 W. - S. B. B. & M.
- 5) An easement for purposes herein stated, and rights incidental thereto as provided in an instrument

Recorded:	March 2, 1932 in Book 543 page 54, Official Records
For:	Road purposes and incidental purposes
In favor of:	The County of Orange
Affects:	The Easterly 10 feet of said land.
- 6) An easement for Sewer purposes and incidental purposes as reserved by F. M. Reafsnyder and Anna E. Reafsnyder, husband and wife in the deed recorded March 25, 1949, as Instrument No. 11401 in Book 1820 page 207, of Official Records, along the East 8 feet of the West 24.5 feet thereof..
- 7) "NOTE: Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact your title officer immediately for further review".
- 8) The requirement that we be furnished a copy of the Gene L. Felling and Bobbie F. Felling as Trustees of the Felling Trust dated March 25, 1992 and any amendments thereto. A certification of said trust is acceptable if made pursuant to probate code section 18100.5 and qualified as a trust under section 82 of probate code.
- 9) The effect of documents, proceedings, liens, decrees or other matters which do not specifically describe said land, but which, if any do exist, may affect the title or impose liens or encumbrances thereon. The name search necessary to ascertain the existence of such matters has not been completed and will require a statement of information from vestees in order to complete this report.

End of Schedule B

"NOTES AND REQUIREMENTS SECTION"**Note No. 1**

California Revenue and Taxation Code Section 18662, effective January 1, 1994 and by amendment effective January 1, 2003, provides that the buyer in all sales of California Real Estate may be required to withhold 3 and 1/3% of the total sales price as California State Income Tax, subject to the various provisions of the law as therein contained.

NOTE NO. 2 PAYOFF INFORMATION:

Note: this company does require current beneficiary demands prior to closing.

If the demand is expired and a correct demand cannot be obtained, our requirements will be as follows:

- A. If this company accepts a verbal update on the demand, we may hold an amount equal to one monthly mortgage payment. The amount of this hold will be over and above the verbal hold the lender may have stipulated.
- B. If this company cannot obtain a verbal update on the demand, will either pay off the expired demand or wait for the amended demand, at the discretion of the escrow.
- C. In the event that a payoff is being made to a servicing agent for the beneficiary, this company will require a complete copy of the servicing agreement prior to close.

Note No. 3

If this company is requested to disburse funds in connection with this transaction, chapter 598, statutes of 1989 mandates hold periods for checks deposited to escrow or sub-escrow accounts. The mandatory hold is one business day after the day deposited. Other checks require a hold period from three to seven business days after the day deposited.

Notice Regarding Your Deposit of Funds

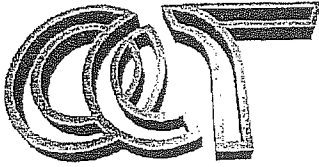
California Insurance Code Sections 12413 *et. Seq.* Regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow and sub-escrow accounts and be available for withdrawal prior to disbursement. Funds deposited with the Company by wire transfer may be disbursed upon receipt. Funds deposited with the Company via cashier's checks drawn on a California based bank may be disbursed the next business day after the day of deposit. If funds are deposited with by other methods, recording or disbursement may be delayed. All escrow and sub-escrow funds received by the Company will be deposited with other funds in one or more non-interest bearing escrow accounts of the Company in a financial institution selected by the Company. The Company and/or its parent company may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with the financial institution, and the Company shall have no obligation to account to the depositing party in any manner for the value of, or to pay such party, any benefit received by the Company and/or its parent Company. Those benefits may include, without limitation, credits allowed by such financial institution on loans to the Company and/or its parent company and earnings on investments made on the proceeds of such loans, accounting, reporting and other services and products of such financial institution. Such benefits shall be deemed additional compensation of the Company for its services in connection with the escrow or sub-escrow. If funds are to be deposited with **Orange Coast Title Builder Services** by wire transfer, they should be wired to the following bank/account:

Wiring Instructions for This Office:

CITIZENS BUSINESS BANK
 301 VANDERBILT WAY
 SAN BERNARDINO, CA 92408
 ABA NO. 122234149
 ACCT NO. 245121776

Credit to the account of Orange Coast Title Builder Services
 Reference Title Order No. 1141806-31
 And Helen Johnson, title officer

/LM



ORANGE COAST TITLE COMPANY
Builder Services/Commercial Division
3536 Concours Drive #120
Ontario, CA 91764

Lenders supplemental report

The above numbered report (including any supplements or amendments thereto) is hereby modified and/or supplemented in order to reflect the following additional items relating to the issuance of an American Land Title Association loan policy form as follows:

- A. This report is preparatory to this issuance of an American Land Title Association loan policy of title insurance. This report discloses nothing, which would preclude the issuance of said American land title association loan policy of title insurance with endorsement no. 100 attached thereto.
- B. The improvements on said land are designated as:
 - A single family dwelling
 - 12931 9th Street, in the City of Garden Grove, County of Orange, State of California.
- C. Our search of the public records revealed conveyance(s) affecting said land recorded within 24 months of the date of this report are as follows:
 - None.

Exhibit B (Revised 11-17-06)

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990 EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of: 1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy. (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of: 1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records. 2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof. 3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records. 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records. 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10/22/03) ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from: 1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning: a. building, b. zoning, c. Land use and d. improvements on the Land, e. Land division, f. environmental protection. This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date. This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24. 2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date. 3. The right to take the Land by condemning it, unless: a. a notice of exercising the right appears in the Public Records at the Policy Date; or b. the taking happened before the Policy Date and is binding on You if You bought the Land without knowing of the taking. 4. Risks: a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records; b. that are known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date; c. that result in no loss to You; or d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8, d, 22, 23, 24 or 25. 5. Failure to pay value for Your Title. 6. Lack of a right: a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and b. in streets, alleys, or waterways that touch the Land. This Exclusion does not limit the coverage described in Covered Risk 11 or 18.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows: For Covered Risk 14, 15, 16 and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A. The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

Table with 2 columns: Covered Risk and Our Maximum Dollar Limit of Liability. Rows include Covered Risk 14, 15, 16, and 18 with corresponding deductible amounts and limits.

AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from: 1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning: * land use * improvements on the land * land division * environmental protection. This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date. This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks. 2. The right to take the land by condemning it, unless: *a notice of exercising the right appears in the public records *on the Policy Date *the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking. 3. Title Risks: *that are created, allowed, or agreed to by you *that are known to you, but not to us, on the Policy Date - unless they appeared in the public records *that result in no loss to you *that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks. 4. Failure to pay value for your title. 5. Lack of a right: *to any land outside the area specifically described and referred to in Item 3 of Schedule A OR *in streets, alleys, or waterways that touch your land. This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

ALTA LOAN POLICY (10-17-92) WITH ALTA ENDORSEMENT-FORM 1 COVERAGE EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of: 1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or parcel enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy. (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy. 2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge. 3. Defects, liens, encumbrances, adverse claims or other matters: (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage. 4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated. 5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law. 6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance. 7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on: (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the application of the doctrine of equitable subordination; or (iv) such reordination to impart notice to a purchaser for value or a judgement or lien creditor. The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of: 1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records. 2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof. 3. Easements, liens or encumbrances, or claims thereof, not shown by the public records. 4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records. 5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

2006 ALTA LOAN POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of: 1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to: (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions, or location of any improvement erected on the Land; (iii) the subdivision of land; or (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5. (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters: (a) created, suffered, assumed, or agreed to by the Insured Claimant; (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy; (c) resulting in no loss or damage to the Insured Claimant; (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 12, or 14); or (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is: (a) a fraudulent conveyance or fraudulent transfer, or (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records.
- This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b). The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

- This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:
- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
 - Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
 - Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
 - Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
 - (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

ALTA OWNER'S POLICY (10-17-92) EXCLUSIONS FROM COVERAGE

- The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:
- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy. (b) Any governmental police power not excluded by notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
 - Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
 - Defects, liens, encumbrances, adverse claims or other matters: (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
 - Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure: (a) to timely record the instrument of transfer; or (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor. The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

- This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:
- Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
 - Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
 - Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
 - Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
 - (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

2006 ALTA OWNER'S POLICY (06-17-06) EXCLUSIONS FROM COVERAGE

- The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:
- (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions, or location of any improvement erected on the Land; (iii) the subdivision of land; or (iv) environmental protection; or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5. (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
 - Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
 - Defects, liens, encumbrances, adverse claims, or other matters: (a) created, suffered, assumed, or agreed to by the Insured Claimant; (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under Covered Risk 9 and 10; or (c) resulting in loss or damage to the Insured Claimant; (d) attaching or created subsequent to Date of Policy, but does not modify or limit the coverage provided under Covered Risk 9 and 10; or (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
 - Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is (a) a fraudulent conveyance or fraudulent transfer, or (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
 - Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A. The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

- This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:
- (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
 - Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
 - Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
 - Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
 - (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01) EXCLUSIONS FROM COVERAGE

- The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:
- (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy. (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
 - Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
 - Defects, liens, encumbrances, adverse claims or other matters: (a) created, suffered, assumed or agreed to by the Insured Claimant; (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy; (c) resulting in no loss or damage to the Insured Claimant; (d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
 - Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
 - Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth in lending law.
 - Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(a) and 26.
 - Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
 - Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at: (a) The time of the advance; or (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of Interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
 - The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy.

ORANGE COAST TITLE BUILDER SERVICES PRIVACY POLICY

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information – particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information that you provide to us. Therefore, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means.
- Information we receive from providers of services to us, such as appraisers, appraisal management companies, real estate agents and brokers and insurance agencies (this may include the appraised value, purchase price and other details about the property that is the subject of your transaction with us).
- Information about your transactions with us, our Affiliated Companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Opting Out

We may also share the information we collect about you within our family of companies (our "Affiliated Companies"). We may also provide this information to companies that perform marketing or other services on our behalf, or on behalf of our Affiliated Companies ("Service Providers"). However, we will not share this information with our Affiliated Companies or our Service Providers if you choose to opt out, in writing. To opt out, please use the form entitled "Request Not to Share Nonpublic Personal Information", which is attached hereto. This form provides instructions on how to request us not to share information with third parties.

Please be aware that Orange Coast Title Builder Services and its Affiliated Companies maintain high standards to safeguard nonpublic, personal information, and do not rent or sell such information. Please note, however, that unless you opt out in writing, our Affiliated Companies and Service Providers will have access to the information in our files.

Other Important Information

We reserve the right to modify or supplement this Privacy Policy at any time. If our Privacy Policy changes, we will provide the new Privacy Policy and the ability to opt out (as required by law) before the new policy becomes effective.

Attention

Please note that this preliminary report now has an extra copy of the legal description on a separate sheet of paper. There are no markings on the page. The idea is to provide you with a legal description that can be attached to other documents as needed.

Thank you for your support of **Orange Coast Title Builder Services**. We hope that this makes your job a little easier.

Exhibit "A"

That portion of Block Six of the "Garden Grove Home Tract", as shown on a Map recorded in Book 4, page 57 of Miscellaneous Maps, records of Orange County, California, described as follows:

Beginning at a point in the East line of said Block Six, which point is 113 feet Southerly from the intersection of the East line with the Easterly extension of the South line of Lot Seven of Tract No. 631, as shown on a Map recorded in Book 20, page 26 of Miscellaneous Maps, records of Orange County, California, said point being also the Southeast corner of the land conveyed to Russell A. Weir and wife by deed recorded September 24th, 1948 in Book 1705, page 416 of Official Records; thence West parallel to the south line of said Lot Seven and the Easterly prolongation thereof 145.67 feet, more or less, to the Southwest corner of said land conveyed to Weir; thence South along the Southerly extension of the Westerly line of said Lot Seven, 53 feet; thence East parallel to the South line of said Lot Seven and the Easterly extension thereof 145.67 feet, more or less, to the East line of said Block Six; thence North 53 feet to the point of beginning.

Reserving therefrom for sewer purposes an easement over the East 8 feet of the West 24.5 feet thereof.

CERTIFICATION OF TRUST
PURSUANT TO CALIFORNIA PROBATE CODE SECTION 18100.5

I (We), Gene L. Felling and Bobbie F. Felling as Trustees of the Felling Trust dated March 25, 1992
, trustee(s) confirm the following facts:

1. The _____ (Name of Trust) is currently
in existence and was created on _____ (Date of Creation of Trust).
2. The settler(s) of the trust are as follows: _____
3. The currently acting trustee(s) of the trust is (are): _____
4. The power of the trustee(s) includes:
 - (a) The powers to sell, convey and exchange YES NO (check one)
 - (b) The powers to borrow money and encumber the trust property with a deed of trust or mortgage
 YES NO (check one)
5. The trust is: (check the applicable box)
 - (a) revocable ;
 - (b) irrevocable and the following party (ies), if any, is (are) identified as having the power to
revoke the trust: _____
6. The trust: (check the applicable box)
 - (a) does have multiple trustees ;
 - (b) does not have multiple trustees ; If the trust has multiple trustees, the signatures of all the
trustees or of any _____ of the trustees is required to exercise the powers of the trust.
7. The trust identification number is as follows: _____ (Social Security No./Employee ID)
8. Title to trust assets shall be taken in the following fashion: _____

The undersigned trustee(s) hereby declare(s) that the trust has not been revoked, modified, or amended in any manner, which would cause the representations, contained herein to be incorrect. The certification is being signed by all currently acting trustee(s) and is being executed in conformity with the provision of California Probate Code Section 18100.5, Chapter 530, Statutes of 1993.

Document Date: _____

by: _____ by: _____

STATE OF CALIFORNIA _____) ss
COUNTY OF _____)

On _____, before me, _____ (notary name) 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 this instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

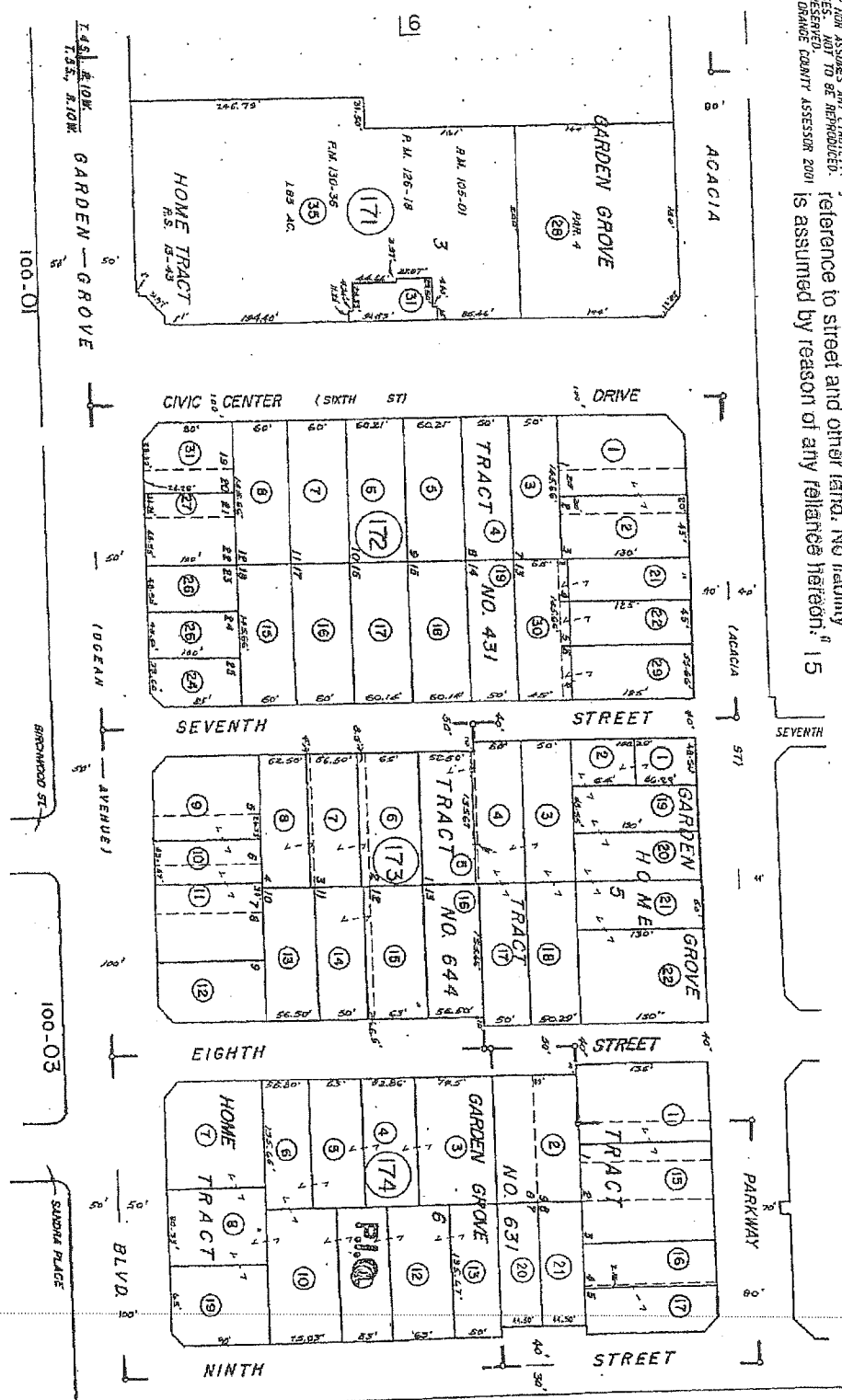
The area below is for official notarial seal

WITNESS my hand and official seal.

Signature _____

THIS MAP WAS PREPARED FOR ORANGE COUNTY ASSESSOR DEPT. OF PUBLIC WORKS BY THE ASSESSOR MAKES NO WARRANTY AS TO THE ACCURACY OF THE INFORMATION FOR ANY RIGHTS RESERVED. © COPYRIGHT ORANGE COUNTY ASSESSOR 2001

"Notice This is neither a plat nor a survey. It is furnished merely as a convenience to aid you in locating the land indicated herein with reference to street and other land. No liability is assumed by reason of any reliance hereon." 15



MARCH 1951

GARDEN GROVE HOME TR.
 TRACT NO. 431
 TRACT NO. 631
 TRACT NO. 644
 PARCEL MAP

M.M. 4-57
 H.M. 16-49
 M.M. 20-26
 M.M. 20-6
 P.M. 105-01

NOTE - ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP 17 BOOK 090 PAGE 17 COUNTY OF ORANGE

1" = 100'

NINA PL.

CITY OF GARDEN GROVE
CHECK REQUEST
Accounting Copy (Accounts Payable)

To: Finance

From:

Greg Brown

Purchase of 12931 9th Street

Dept.:

Economic Development

Date:

March 31, 2010

Please process the attached invoices and / or supporting documents (agenda item if applicable for payment per the following information:

Payable to: West Coast Escrow

Address: N/A

Needed April 5, 2010 Mail, No., Return to Carlos Marquez/Greg Brown

Description / Invoice Number Fnd. Pkg. Obj. Grp. Task Proj. Amount

Purchase of 12931 9 th Street							
Seller Felling Trust							
Purchase Price	007	2500	45010				\$385,000
Agency approved acquisition on 3/23/2010							
Estimated closing costs	007	2500	45010				\$3,188.95

Total \$388,188.95

Dept. Approval: _____

(Dept. Head or Division Manager)

MAR 31 2010

CAS

1. This form must be used for all payments except:
 (a) Purchase Orders (b) Expense Reports (c) Mileage Reimbursement
2. Description should include, where applicable, "how many / what is it / what for. "
3. Attach invoice or other supporting documents pertinent to this request before submitting for approval.
4. One vendor or one employee per request.

=====

(For Accounting Only)

Check of Funds Available: _____ Date: _____

Approved for Payment: _____ Priority: Pre-issue ⇄ Routine ⇄

Vendor #: [] Processed by: _____ Date: _____

WEST COAST ESCROW

2112 E 4th Street Suite 100
Santa Ana, CA 92705
Phone (714) 777-4600 Fax (714) 777-5600
Paula.Vinnedge@westcoastescrow.com

WIRE INSTRUCTIONS

BANK NAME: COMERICA BANK
ATTN: FINANCIAL SERVICES
2321 ROSECRANS AVENUE
EL SEGUNDO, CA 90245

BANK PHONE: 800 376-0430

ABA # 121137522

ACCOUNT NO. 1894180965

CREDIT TO: WEST COAST ESCROW
SANTA ANA, CA 92705

REFERENCE: TN-03575-PV

ESCROW OFFICER PAULA D VINNEDGE



ATTENTION: PLEASE MAKE SURE ALL WIRES REFERENCE YOUR NAME AND YOUR ESCROW NUMBER TO ENSURE PROPER CREDIT TO YOUR ACCOUNT.

TO AVOID ANY DELAY IN THE CLOSING, ALL WIRED FUNDS MUST BE RECEIVED BY ESCROW HOLDER A MINIMUM OF TWO BUSINESS DAYS PRIOR TO CLOSE OF ESCROW TO ENABLE ESCROW HOLDER TO COMPLY WITH LENDER REQUIREMENTS.

PLEASE BE ADVISED ON LINE BANKING TRANSFERS CANNOT BE ACCEPTED UNLESS THEY ARE TRANSFERRED AS IMMEDIATE FUNDS, NOT BY ACH, AUTOMATED CLEARING HOUSE. PLEASE VERIFY WITH YOUR BANK HOW FUNDS ARE TRANSFERRED FOR IMMEDIATE CREDIT. ACH TRANSFERS WILL BE RETURNED

PLEASE NOTE, THERE IS A \$25.00 PROCESSING FEE FOR EACH INCOMING WIRE TRANSFER.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR ESCROW OFFICER AT (714) 777-4600.

 <p>WEST COAST ESCROW <small>First in People First in Service</small></p>	West Coast Escrow 2112 E 4th Street Suite 100 Santa Ana CA 92705 Phone: (714) 777-4600 Fax: (714) 777-5600 Escrow Officer: Paula D Vinnedge	 TN-03575-PV
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Buyer's Estimated Settlement Statement

Property: 12931 9th Street
Garden Grove, CA 92840

Closed Date:

Buyer: Garden Grove Agency for Community Development

Est. Closing Date: 4/6/2010

Escrow Number: TN-03575-PV

	<u>Debits</u>	<u>Credits</u>
Purchase Price		
Contract Sales Price	\$385,000.00	
Escrow Fees		
<u>Escrow Fee</u>	\$800.00	
<u>Escrow Fee</u>	\$800.00	
<u>Wire Fee</u>	\$25.00	
<u>Messenger Fee</u>	\$20.00	
<u>Overnight Mail</u>	\$20.00	
Title Charges		
Owner's Coverage to ORANGE COAST TITLE	\$1,274.00	
Additional Settlement Fees		
<u>Zone Disclosure to FIRST AMERICAN NATURAL HAZARD DISCLOSURES</u>	\$99.95	
<u>Buyer Funds Held for Final Accounting</u>	\$150.00	
Balance Due		\$388,188.95
Totals:	\$388,188.95	\$388,188.95

:

This is an estimated closing statement and is subject to changes, corrections or additions at the time of final closing.

Garden Grove Agency for Community Development

READ AND APPROVED

X 

X Redevelopment Manager

Project: Civic Center Project Area
APN: 090-174-11
Address: 12931 9th Street, Garden Grove, CA

AGREEMENT FOR ACQUISITION OF REAL PROPERTY AND ESCROW INSTRUCTIONS

THIS AGREEMENT FOR ACQUISITION OF REAL PROPERTY AND ESCROW INSTRUCTIONS (the "**Agreement**") is made and entered into as of 3/23, 2010, by and between the GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, a public body, corporate and politic, ("**Buyer**") and GENE L. FELLING AND BOBBIE F. FELLING, as Trustees of the Felling Trust dated March 25, 1992, ("**Seller**"), with reference to the following facts:

RECITALS

A. Seller is the owner of certain real property comprised of approximately 7,190 square feet, located at 12931 9th Street, City of Garden Grove (the "**City**"), the County of Orange (the "**County**"), State of California (the "**State**"), which is designated as Assessor's Parcel No. 090-174-11, and ancillary rights connected therewith, including all rights appurtenant thereto, including, but not limited to, onsite and offsite wells and water rights, oil, gas, minerals, easements and profit, more particularly described on Exhibit A attached hereto (the "**Property**").

B. Seller desires to convey to Buyer and Buyer desires to acquire from Seller the Property, in accordance with the terms and conditions contained in this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Seller, Buyer and Seller hereby agree as follows:

1. PURCHASE AND SALE.

1.1. Agreement to Buy and Sell. Subject to the terms and conditions set forth herein, Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to acquire and purchase from Seller, the Property. As used herein the "Property" shall include the real property identified on Exhibit A and all of Seller's right, title and interest in and to any and all entitlements, tenements, hereditaments, easements, easement rights, rights to half-widths of all adjacent public streets and public rights of way, mineral rights, oil and gas rights, water, water rights, air rights, development rights and privileges appurtenant thereto and all improvements located thereon.

1.2. Purchase Price. The purchase price ("**Purchase Price**") for the Property shall be Three Hundred Eighty Five Thousand Dollars and 00/100 (\$385,000.00) payable as cash at closing.

2. ESCROW AND CLOSING.

2.1. Opening of Escrow. Within five (5) business days after execution of this Agreement by the last of Seller or Buyer, Buyer shall open an escrow (the "Escrow") with West Coast Escrow, at the address set forth in Section 7.12 ("Escrow Holder"), by depositing with Escrow Holder this Agreement fully executed, or executed counterparts hereof. The date this fully executed Agreement is signed and accepted by Escrow Holder on the last page hereof shall be deemed the "Opening of Escrow" and Escrow Holder shall advise Buyer and Seller of such date in writing. The escrow instructions shall incorporate this Agreement as part thereof and shall contain such other standard and usual provisions as may be required by Escrow Holder, 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 Buyer and Seller. 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.

2.2. Escrow Fees and Other Charges. At the Close of Escrow, Buyer agrees to pay all of Seller's and Buyer's usual fees, charges and costs incidental to the conveyance of the Property which arise in this Escrow.

2.3. Closing Date: Conditions Precedent to Close of Escrow. Provided all of the conditions precedent set forth in this Section 2.3 have been satisfied (or are in a position to be satisfied concurrently with the Close of Escrow), the Close of Escrow shall occur on or before April 6, 2010 (the "Closing Date"). As used in this Agreement, the "Close of Escrow" shall mean the date a Grant Deed, as provided in Section 2.4.2(a) hereof ("Grant Deed"), is recorded in the Official Records of the County.

2.3.1 Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to purchase the Property are subject to the satisfaction of the following conditions or Buyer's written waiver of such conditions on or before the Closing Date. Buyer may waive in writing any or all of such conditions in its sole and absolute discretion.

(a) The Purchase Price shall have been determined in accordance with Section 1.2; and

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

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

(d) There shall have occurred no material adverse change in the physical condition of the Property (such as those caused by natural disasters) which would render the Property unsuitable for Buyer's intended use or which would materially increase the cost or cause a material delay in the schedule for the development of the Property; and

(e) The Title Company shall be committed to issue to Buyer, as of the Closing Date, the Title Policy (defined below) covering the Property, subject only to the Permitted Exceptions.

2.3.2 Conditions to Seller's Obligations. The Close of Escrow and Seller's obligation to sell and convey the Property are subject to the satisfaction of the following conditions or Seller's written waiver of such conditions on or before the Closing Date. Seller may waive in writing any or all of such conditions as a condition to the Close of Escrow in its sole and absolute discretion.

(a) The Purchase Price shall have been determined in accordance with Section 1.2; and

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

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

2.3.3 Waiver of a Condition Does Not Excuse Performance. If any condition precedent to the Close of Escrow is expressly waived, in writing, as a condition to the Close of Escrow by the party for whose benefit such condition exists, then, to the extent such condition is capable of being satisfied following the Close of Escrow, such condition shall become a condition subsequent to the Close of Escrow and shall be satisfied by the party whose performance is required to satisfy such condition as soon as reasonably possible following the Close of Escrow.

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

2.4.1 Buyer's Deposits. Buyer shall deposit:

(a) The Purchase Price together with Buyer's escrow and other cash charges; and

(b) A Certificate of Acceptance for the Grant Deed in the form of Exhibit C.

2.4.2 Seller's Deposits. Seller shall deposit:

(a) The Grant Deed in the form of Exhibit B attached hereto, conveying the Property subject only to the Permitted Exceptions (defined below);

(b) Subject to Section 2.5.1 below, an executed Affidavit of Non-foreign Status in the form of Exhibit D attached hereto and such other documentation necessary to exempt Seller from the withholding requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder; and

(c) Subject to Section 2.5.1 below, a Withholding Exemption Certificate Form 593 as contemplated by California Revenue and Taxation Code §18662 (the "Withholding Affidavit") duly executed by Seller.

2.4.3 Deposits of Additional Instruments. Seller and Buyer 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 sale of the Property in accordance with the terms of this Agreement.

2.5. Closing.

2.5.1 Withholding. In the event that, pursuant to Section 2.4.2(b) above, Seller fails to deposit with Escrow Holder the executed Affidavit of Non-foreign Taxpayer Status which exempts Seller from the withholding requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, Seller hereby authorizes Escrow Holder to withhold ten percent (10%) of the Purchase Price of the Property less any applicable closing costs and to report and transmit the withheld amount to the Internal Revenue Service. Additionally, in the event that, pursuant to Section 2.4.2(c) above, Seller fails to deposit with Escrow Holder any applicable tax document which exempts Buyer from California withholding requirements, if any, Seller hereby authorizes Escrow Holder to withhold such additional percentage of the Purchase Price of the Property as is required by California law, and Escrow Holder shall report and transmit the withheld amount in the manner required by California law. 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 under any similar provisions of California law, and shall defend, indemnify and hold Buyer harmless in connection with such obligations.

2.5.2 Necessary Actions of Escrow Holder. On the Close of Escrow, Escrow Holder shall: (i) record the Grant Deed in the Office of the County Recorder of the County, (ii) pay any transfer taxes, (iii) instruct the County Recorder to return the Grant Deed to Buyer, (iv) distribute to Seller the Purchase Price, and (v) deliver to Buyer the Title Policy covering the Property subject only to the Permitted Exceptions, the Affidavit of Non-foreign Status and the applicable California withholding exemption form, if any.

2.5.3 Taxes and Assessments. Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year. Seller's prorata portion of taxes, if any, due at close of escrow, shall be cleared and paid by Seller, outside escrow, pursuant to provisions of Section 5082 through 5090 of the Revenue and Taxation Code of the State of California.

2.5.4 Title and Possession. Upon the Close of Escrow, title to and exclusive possession of the Property shall be conveyed to Buyer, subject only to the Permitted Exceptions.

2.6. Failure to Close: Termination.

2.6.1 Neither Party in Default. In the event that any condition set forth in Section 2.3 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 the Close of Escrow does not occur within the time frame required herein for any reason other than Seller's or Buyer'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, Buyer shall pay any Escrow termination fees, and except as otherwise provided herein the parties will have no further obligation to one another.

3. ACTIONS PENDING CLOSING.

3.1. Title Review.

3.1.1 Title Report. Within three (3) business days after the Opening of Escrow, Orange Coast Title Company (the "**Title Company**") will furnish Buyer with an updated Title Commitment on the Property together with legible copies of all documents referenced therein as exceptions to title and a plot plan for the Property showing all the locations of all easements referenced therein (collectively, the "**Title Commitment**").

3.1.2 Title Notices. Buyer shall have ten (10) business days after its actual receipt of the Title Commitment to deliver to Escrow Holder written notice (the "**Preliminary Title Notice**") of Buyer's approval, conditional approval or disapproval of the title matters disclosed in the Title Commitment. All matters not timely approved by Buyer will be deemed disapproved. All such exceptions disapproved by Buyer are referred to herein as "**Disapproved Exceptions**".

3.1.3 Permitted Exceptions. "**Permitted Exceptions**" shall mean all exceptions appearing on the Title Commitment which are: (i) standard printed exceptions in the Title Policy issued by Title Company; (ii) general and special real property taxes and assessments, a lien not yet due and payable; and (iii) any other liens, easements, encumbrances, covenants, conditions and restrictions of record approved, or expressly waived by Buyer pursuant to this Section 3.1.

3.2. Title Policy. Buyer's obligation to proceed to the Close of Escrow shall be conditioned upon the commitment by Title Company to issue an ALTA Standard Coverage Owner's Policy of Title Insurance (the "**Standard Coverage Policy**"), showing title to the Property vested in Buyer with liability equal to the Purchase Price, subject only to the Permitted Exceptions. At Buyer's option, Buyer may require an ALTA Extended Coverage Owner's Policy instead of the Standard Coverage Policy provided that Buyer pays any additional premium on account thereof. The form of title policy selected by Buyer shall be referred to herein as the "**Title Policy**".

3.3. 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 Property by the Buyer, including the right to remove and dispose of improvements, shall commence upon the execution of this Agreement by Seller. The Purchase Price includes, but is not limited to, full payment for such possession and use.

3.4. Seller's Covenant Not to Further Encumber the Property. Seller shall not, directly or indirectly, alienate, encumber, transfer, option, lease, assign, sell, transfer or convey its interest or any portion of its interest in the Property, or any portion thereof, or enter into any agreement to do so, so long as this Agreement is in force. Seller shall timely discharge, prior to the Closing, any and all obligations relating to work performed on or conducted at or materials delivered to or for the Property from time to time by Seller, or at Seller's direction or on its behalf, in order to prevent the filing of any claim or mechanic's lien with respect to such work or materials.

3.5. Loss or Damage to Improvements. Loss or damage to the Property, including any improvements thereon, by fire or other casualty, occurring prior to the recordation of the Grant Deed shall be at the risk of Seller. In the event that loss or damage to the Property, or any improvements thereon, by fire or other casualty, occurs prior to the recordation of the Grant Deed,

Agency may elect to require that the Seller pay to Buyer the proceeds of any insurance policy or policies which may become payable to Seller by reason thereof, or to permit such proceeds to be used for the restoration of the damage done, or to reduce the Purchase Price by an amount equal to the diminution in value of the Property by reason of such loss or damage or the amount of insurance payable to Seller, whichever is greater.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS.

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

4.1.1 Seller's Authority. Seller is the sole owner in fee simple absolute of the Property and has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. Seller has not alienated, encumbered, transferred, leased, assigned or otherwise conveyed its interest in the Property or any portion thereof except as set forth in the Title Commitment, nor entered into any Agreement to do so, nor shall Seller do so during the term of this Agreement. The entering into and performance by Seller of the transactions contemplated by this Agreement will not violate or breach any other agreement, covenant or obligation binding on Seller, and there is no consent required from any third party before the Property may be conveyed to Buyer. This Agreement has been duly authorized and executed by Seller, and upon delivery to and execution by Buyer shall be a valid and binding agreement of Seller.

4.1.2 Hazardous Substances. Neither Seller nor any third party has used, generated, manufactured, stored or disposed any Hazardous Substances in, at, on, under or about the Property or transported any Hazardous Substance to or from the Property. Additionally, (a) the Property 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 Property including, but not limited to, soil or groundwater conditions; (b) the Property has not been subject to, and is not within 2,000 feet of, a deposit of any Hazardous Substance; (c) there has been no discharge, migration or release of any Hazardous Substance from, into, on, under or about the Property; (d) there is not now, nor has there ever been on or in the Property underground storage tanks or surface impoundments, any asbestos-containing materials or any polychlorinated biphenyls used in hydraulic oils, electrical transformers or other equipment, and (e) there is not now, nor has there ever been, debris or refuse buried in or under the Property which would adversely affect the development of the Property. Seller hereby assigns to Buyer as of the Close of Escrow all claims, counterclaims, defenses or actions, whether at common law, or pursuant to any other applicable federal or state or other laws which Seller may have against any third parties relating to the existence of any Hazardous Substance in, at, on, under or about the Property. As used in this Agreement, the term "**Hazardous Substances**" shall have the meaning set forth on Exhibit E attached hereto. At any time prior to the Close of Escrow, Buyer shall have the right to conduct appropriate tests of water and soil to ascertain the presence of any Hazardous Substances on, in, under and about the Property.

4.1.3 Endangered Species. To Seller's knowledge, there are no endangered species or protected natural habitat, flora or fauna located on the Property, nor is any portion of the Property located in what is or may be designated as a wetland.

4.1.4 Mechanic's Liens. There are no mechanics', material men's or other claims or liens presently claimed or which will be claimed against the Property for work performed or commenced prior to the date of this Agreement or relating to the environmental condition of the Property. Seller agrees to hold Buyer harmless from all costs, expenses, liabilities, losses, charges and fees, including without limitation attorneys' fees, arising from or relating to any such lien or any similar lien claimed against the Property and arising from work performed or commenced prior to the Close of Escrow.

4.1.5 Leases/Easements. There are no leases, rental agreements or other such contracts of any kind or nature affecting possession or occupancy of the Property, and Seller shall not enter into any such contracts during the term of this Agreement without the prior consent of Buyer.

4.1.6 Other Facts and Circumstances. There are no other facts or circumstances known to Seller that would preclude, prevent or impair the development of the Property.

4.1.7 No Untrue Statements or Omissions of Fact. Neither this Agreement, nor any of the exhibits hereto, nor any document, certificate, or statement referred to herein or furnished to Buyer in connection with the transaction contemplated herein (whether delivered prior to, simultaneously with, or subsequent to the execution of this Agreement) contains any untrue statement of material fact or, omits to state a material fact in any way concerning the Property, or otherwise affecting or concerning the transaction contemplated hereby.

Each of the representations and warranties made by Seller 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 in all material respects 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 in all material respects. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Seller contained in this Agreement, are conditions precedent to the Close of Escrow. Seller shall immediately notify Buyer of any fact or circumstance which becomes known to Seller which would make any of the foregoing representations or warranties untrue.

4.2. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows, all of which shall survive the Close of Escrow:

4.2.1 Buyer's Authority. Buyer 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 Buyer and, upon delivery to and execution by Seller, shall be a valid and binding Agreement of Buyer.

4.2.2 No Untrue Statements or Omissions of Fact. Neither this Agreement, nor any of the exhibits hereto, nor any document, certificate, or statement referred to herein or furnished to Seller in connection with the transaction contemplated herein (whether delivered prior to, simultaneously with, or subsequent to the execution of this Agreement) contains any untrue statement of material fact or, omits to state a material fact in any way concerning the Property, or otherwise affecting or concerning the transaction contemplated hereby.

Each of the representations and warranties made by Buyer 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 in all material respects 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 in all material respects. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Buyer contained in this Agreement, are conditions precedent to the Close of Escrow. Buyer shall notify Seller immediately of any facts or circumstances which are contrary to the foregoing representations and warranties contained in this Section 4.2.

4.3. Mutual Indemnity. Seller and Buyer shall defend, indemnify and hold free and harmless the other from and against any losses, damages, costs and expenses (including attorneys' fees) resulting from any inaccuracy in or breach of any representation or warranty of the indemnifying party or any breach or default by such indemnifying party under any of such indemnifying party's covenants or agreements contained in this Agreement.

5. CONDEMNATION. Seller and Buyer acknowledge that this transaction is a negotiated settlement in lieu of condemnation, and Seller 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 Buyer to Seller is for all of Seller'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, Seller'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 Seller which might arise out of or relate in any respect to the acquisition of the Property by the Buyer.

6. BROKERS. Seller and Buyer 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 Property and that no commissions or finder's fees are payable in connection with this transaction. Buyer and Seller 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 6 shall survive the Close of Escrow or earlier termination of this Agreement.

7. GENERAL PROVISIONS.

7.1. 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 and any executed counterpart may be delivered by facsimile transmission with the same effect as if an originally executed counterpart had been delivered.

7.2. Further Assurances. Each of the parties agrees to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be appropriate or necessary to effectuate the agreements of the parties, whether the same occurs before or after the Close of Escrow.

7.3. 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 whether or not actually attached.

7.4. 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.

7.5. 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.

7.6. 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; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to, or the obligations imposed upon, any party hereunder, and the parties agree to substitute for the invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.

7.7. 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 unless they are expressly excluded.

7.8. 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.

7.9. Relationship of Parties. The parties agree that their relationship is that of Seller and Buyer, 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.

7.10. Attorneys' Fees. In the event that any party hereto institutes an action or proceeding for a declaration of the rights of the parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement, or the transactions contemplated hereby, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the non-defaulting party or prevailing party shall be entitled to its actual attorneys' fees and to any court costs incurred, in addition to any other damages or relief awarded.

7.11. Assignment. Neither Seller nor Buyer shall assign its rights or delegate its obligations hereunder without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties to this Agreement.

7.12. Notices. No notice, request, demand, instruction, or other document to be given hereunder to any Party shall be effective for any purpose unless personally delivered to the person at the appropriate address set forth below (in which event such notice shall be deemed effective only upon such delivery), delivered by air courier next-day delivery (e.g. Federal Express), delivered by mail, sent by registered or certified mail, return receipt requested, or sent via telecopier, as follows:

If to Buyer, to:

Attn: Carlos Marquez
Real Property Agent
Garden Grove Agency for Community Development
11222 Acacia Parkway
Garden Grove, CA 92840
Facsimile No.: (714)
Telephone No.: (714) 741-5131

With a copy to:

Attn: Thomas F. Nixon, Esq.
Agency Counsel
c/o Woodruff, Spradlin & Smart
555 Anton Boulevard, Suite 1200
Costa Mesa, CA 92626
Facsimile No.: (714) 835-7787
Telephone No.: (714) 558-7000

If to Seller, to:

Attn: Gene Felling
2220 S. Loara Street
Anaheim, CA 92802
Telephone No.: (714) 534-1143
Facsimile No.: (714) 534-1919

If to Escrow Holder, to:

Attn: Paula Vinnedge
West Coast Escrow
2112 E. 4th Street
Santa Ana, CA 92705
Facsimile No.: (714) 777-5600
Telephone No.: (714) 777-4600

Notices delivered by air 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 telecopy shall be deemed delivered the same business day transmitted. The addresses, addressees, and telecopy numbers for the purpose of this Paragraph, 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 address, addressee, and telecopy 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. Delivery of a copy of a notice as set forth above is as an accommodation only and is not required to effectuate notice hereunder.

7.13. Survivability. All covenants of Buyer or Seller 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 Deed, and be binding upon and inure to the benefit of the respective Parties.

7.14. Waiver and Release. Seller agrees that performance of this Agreement by Buyer, including the payment of the Purchase Price, above, shall constitute full and fair compensation and consideration for any and all claims that Seller, and its successors and assigns, may have against Buyer by reason of the acquisition, improvement, possession, use and/or occupancy of the Property, and Seller, on behalf of itself and its successors and assigns, hereby knowingly and voluntarily waives, and expressly releases and discharges Buyer, and any and all of Buyer's employees, agents, officers, servants, representatives, contractors, attorneys and assigns, from liability in regard to, any and all such claims, including claims for severance or taking compensation or damages to the remainder not taken on account of the acquisition of the Property or the location, establishment, construction and/or operation of the above-named Project. The foregoing waiver and release shall include the waiver and release of any and all rights or claims that Seller has, may have or may in the future have under Article 1, Section 19 of the California Constitution, the Eminent Domain Law, or any other law or regulation; except as provided herein. Seller, on behalf of itself and its successors and assigns, further knowingly and voluntarily waives and expressly releases and discharges Buyer, and any and all of Buyer's employees, agents, officers, servants, representatives, contractors, attorneys and assigns, from liability in regard to any claims for the following: relocation assistance or benefits, if any, to which Seller may be entitled pursuant to applicable sections in Chapter 16 of Division 7 of Title 1 of the California Government Code (Gov. Code sec. 7260, et seq.) ("California Relocation Assistance Law"), regulations adopted by the State of California to implement or pursuant to the California Relocation Assistance Law, and/or the Federal Uniform Relocation Assistance Act (42 U.S.C. sec. 4601, et seq.), regulations adopted by the Federal Government to implement 42 U.S.C. sec. 4601, et seq., pre-condemnation damages, lost business goodwill, lost profits, damage to or loss of improvements pertaining to the realty, machinery, fixtures, inventory, equipment and/or personal property, interest, any right to repurchase, leaseback from Buyer, or receive any financial gain from, Buyer's sale of any portion of the Property, any right to challenge Buyer's adoption of a resolution of necessity, pursuant to Code of Civil Procedure sections 1245.245, any right to receive any notices pursuant to Code of Civil Procedure section 1245.245, any right to enforce any other obligation placed upon Buyer pursuant to Code of Civil Procedure sections 1245.245 and 1263.615, any other rights conferred upon Seller pursuant to Code of Civil Procedure sections 1245.245 and 1263.615 and 1263.025, and claims litigation expenses, attorney's fees and/or costs. Seller is aware of and understands all potential

benefits to which he/she/it is otherwise entitled and has had the opportunity to discuss potential benefits with representatives of the Buyer and with legal counsel of his/her/its choice. This waiver and release shall survive the Close of Escrow. By such release, Seller expressly waives its rights, if any, under California Civil Code Section 1542 which provides:

"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 HIS SETTLEMENT WITH THE DEBTOR."

CVF BJJ
Seller's Initials

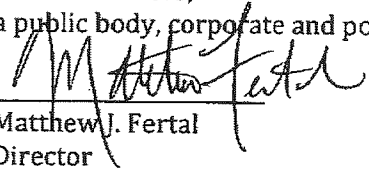
7.15 Agency Approval of Agreement. This Agreement is subject to the approval of the Buyer's City Council. If this Agreement remains unapproved by the Buyer's City Council then the parties will have no further obligation under this Agreement.

[SIGNATURE PAGE FOLLOWS]


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

BUYER

GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT,
a public body, corporate and politic,



Matthew J. Fertal
Director

Attest:

 4/7/10
Secretary

Approved as to form by:

WOODRUFF, SPRADLIN & SMART


Thomas F. Nixon, Esq.
Agency Counsel

SELLER

GENE L. FELLING AND BOBBIE F. FELLING, as Trustees of the Felling Trust dated March 25, 1992,

By: 
Name: Gene L. Felling, Trustee

By: 
Name: Bobbie F. Felling, Trustee

Exhibit List

- Exhibit A -- Legal Description of the Property
- Exhibit A-1 -- Depiction of Property
- Exhibit B -- Form of Grant Deed
- Exhibit C -- Affidavit of Non-foreign Taxpayer Status
- Exhibit D -- Definition of Hazardous Substances

ACCEPTANCE BY ESCROW HOLDER:

West Coast Escrow hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement for Acquisition of Real Property and Escrow Instructions 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 and shall defend, indemnify and hold Buyer harmless in connection with such obligations.

Date: _____

West Coast Escrow

By: Paula Vinnedge

Name: _____

Its: Escrow Officer

EXHIBIT A

LEGAL DESCRIPTION

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

That portion of Block Six of the "Garden Grove Home Tract", as shown on a Map recorded in Book 4, page 57 of Miscellaneous Maps, records of Orange County, California, described as follows:

Beginning at a point in the East line of said Block Six, which point is 113 feet Southerly from the intersection of the East line with the Easterly extension of the South line of Lot Seven of Tract No. 631, as shown on a Map recorded in Book 20, page 26 of Miscellaneous Maps, records of Orange County, California, said point being also the Southeast corner of the land conveyed to Russell A. Weir and wife by deed recorded September 24th, 1948 in Book 1705, page 416 of Official Records; thence West parallel to the south line of said Lot Seven and the Easterly prolongation thereof 145.67 feet, more or less, to the Southwest corner of said land conveyed to Weir; thence South along the Southerly extension of the Westerly line of said Lot Seven, 53 feet; thence East parallel to the South line of said Lot Seven and the Easterly extension thereof 145.67 feet, more or less, to the East line of said Block Six; thence North 53 feet to the point of beginning.

END OF LEGAL DESCRIPTION

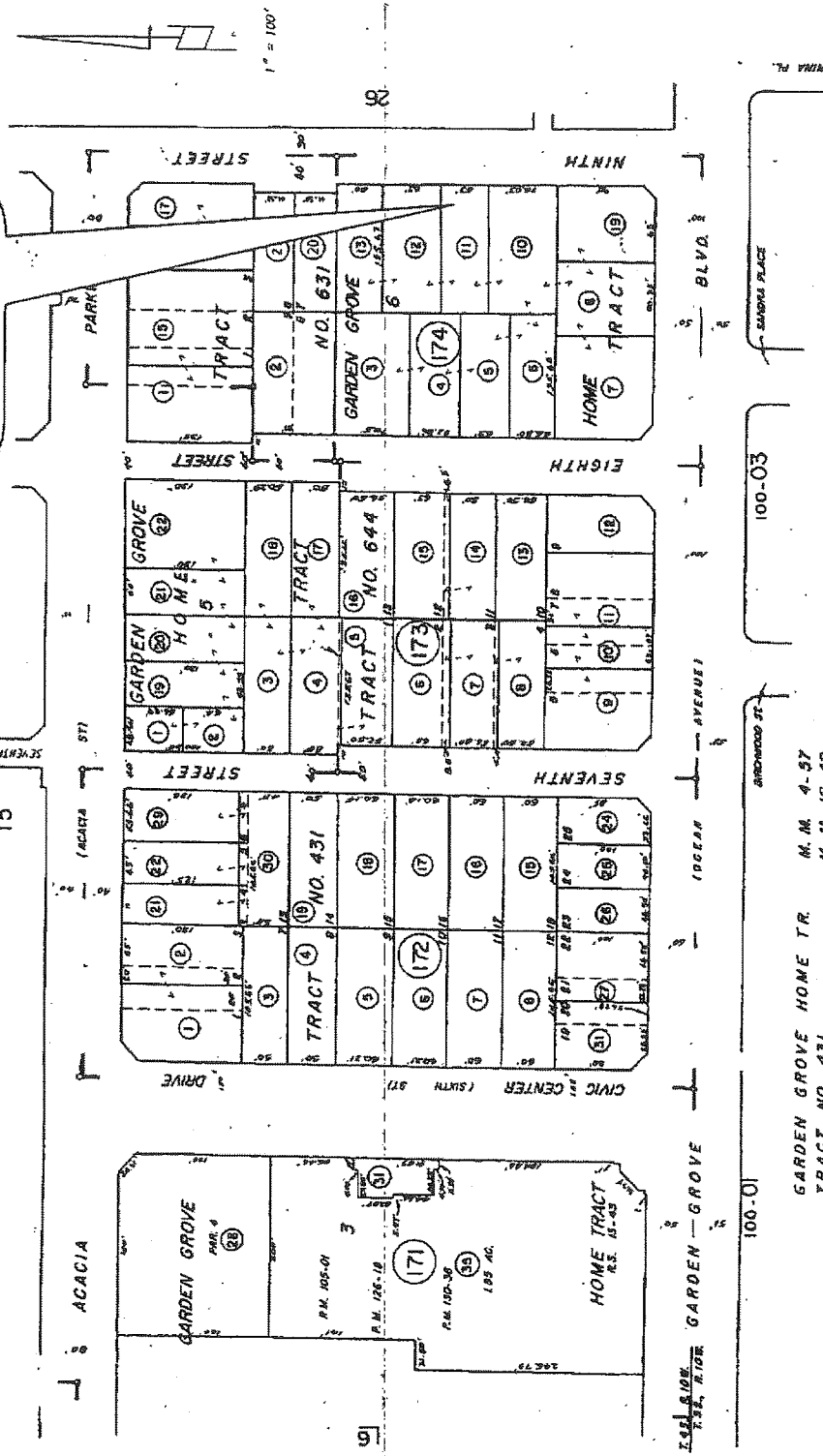
EXHIBIT A-1

DEPICTION OF PROPERTY

THIS MAP WAS PREPARED FOR ORANGE COUNTY ASSESSOR AND THE COUNTY ENGINEER. THE ASSESSOR MAKES NO GUARANTEE AS TO ITS ACCURACY AND ASSUMES ANY LIABILITY FOR ANY ERRORS OR OMISSIONS. TO BE REPRODUCED, ALL RIGHTS RESERVED. © COPYRIGHT ORANGE COUNTY ASSESSOR 2001

Subject Property
12931 9th Street
APN: 090-174-11

090-17



GARDEN GROVE HOME TR.
TRACT NO. 431 M. M. 4-57
TRACT NO. 631 M. M. 16-49
TRACT NO. 644 M. M. 20-26
PARCEL MAP P. M. 20-6
P. M. 109-01

MARCH 1951

NOTE - ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP BOOK 090 PAGE 17 COUNTY OF ORANGE

This Document was electronically recorded by
Builders Services

RECORDING REQUESTED BY:
ORANGE COAST TITLE

Recorded in Official Records, Orange County
Tom Daly, Clerk-Recorder

AND WHEN RECORDED MAIL TO:
Garden Grove Agency for Community Development
11222 Acacia Parkway 3rd Floor
Garden Grove, CA 92840



12.00

2010000167347 11:11am 04/09/10

Order No.: 140-1141806-66

Escrow No.: TN-03575-PV

A.P.N.: 090-174-11

TRA: 18-153

Property: 12931 9th Street, Garden Grove, CA

66 406 G02 3

0.00 0.00 0.00 0.00 6.00 0.00 0.00 0.00

3988A

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

GRANT DEED

Exempt from paying recording
fees pursuant to Government

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

This transfer is exempt from Documentary Transfer Tax pursuant to Revenue & Tax Code 11922 Code 27383

[] unincorporated area [X] City of Garden Grove AND

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

Gene L. Felling, Trustee and Bobbie F. Felling, Trustee of The Felling Trust dated March 25, 1992

hereby GRANT(S) to

Garden Grove Agency for Community Development

the following described real property in the County of Orange, State of California:

That portion of Block Six of the "Garden Grove Home Tract", as shown on a Map recorded in Book 4, page 57 of Miscellaneous Maps, records of Orange County California. Complete legal description as more specifically described in Exhibit "A" attached hereto.

Dated: March 29, 2010

STATE OF CALIFORNIA

COUNTY OF Orange

} ss.

On 3-30-10 before me

A. Weaver
Notary Public, personally appeared

Gene L. Felling and
Bobbie F. Felling

The Felling Trust dated March 25, 1992

Gene L. Felling
By: Gene L. Felling, Trustee

Bobbie F. Felling
By: Bobbie F. Felling, Trustee

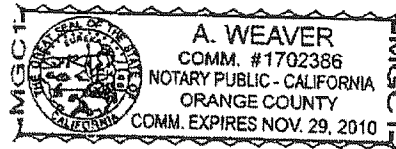
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), 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 [Signature]
Signature of Notary

Commission Expiration Date: 11-29-10



(This area for official notarial seal)

MAIL TAX STATEMENTS TO: Garden Grove Agency for Community Development, 11222 Acacia Parkway 3rd Floor, Garden Grove, CA 92840

**CERTIFICATE OF ACCEPTANCE
GRANT DEED**

This is to certify that the interest in real property conveyed by deed or grant dated, March 29, 2010 from the Felling Trust, dated march 25, 1992 to the Garden Grove Agency for Community Development, a public body corporate and politic, is hereby accepted by order of the Garden Grove Agency for Community Development by the undersigned officer on behalf of the Garden Grove Agency for Community Development pursuant to authority conferred by resolution of the Garden Grove Agency for Community Development adopted on July 17, 1978, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: April 7, 2010

By: Jessica Romero
Deputy Secretary

Exhibit "A"

That portion of Block Six of the "Garden Grove Home Tract", as shown on a Map recorded in Book 4, page 57 of Miscellaneous Maps, records of Orange County, California, described as follows:

Beginning at a point in the East line of said Block Six, which point is 113 feet Southerly from the intersection of the East line with the Easterly extension of the South line of Lot Seven of Tract No. 631, as shown on a Map recorded in Book 20, page 26 of Miscellaneous Maps, records of Orange County, California, said point being also the Southeast corner of the land conveyed to Russell A. Weir and wife by deed recorded September 24th, 1948 in Book 1705, page 416 of Official Records; thence West parallel to the south line of said Lot Seven and the Easterly prolongation thereof 145.67 feet, more or less, to the Southwest corner of said land conveyed to Weir; thence South along the Southerly extension of the Westerly line of said Lot Seven, 53 feet; thence East parallel to the South line of said Lot Seven and the Easterly extension thereof 145.67 feet, more or less, to the East line of said Block Six; thence North 53 feet to the point of beginning;

Reserving therefrom for sewer purposes an easement over the East 8 feet of the West 24.5 feet thereof.

PRELIMINARY CHANGE OF OWNERSHIP REPORT

FOR RECORDER'S USE ONLY

To be completed by transferee (buyer) prior to transfer of subject property in accordance with Section 480.03 of the Revenue and Taxation Code. A Preliminary Change of Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located; this particular form may be used in all 58 counties of California.
THIS REPORT IS NOT A PUBLIC DOCUMENT

SELLER/TRANSFEROR: The Felling Trust dated March 25, 1992
 BUYER/TRANSFEE: Garden Grove Agency for Community Development
 ASSESSOR'S PARCEL NUMBER(S): 090-174-11
 PROPERTY ADDRESS OR LOCATION: 12931 9th Street, Garden Grove, CA, 92840
 MAIL TAX INFORMATION TO: Name: Garden Grove Agency for Community Development
 Address: 11222 Acacia Parkway 3rd Floor, Garden Grove, CA 92840
 Phone Number (8 a.m. - 5 p.m.): (714) 741-5131

NOTICE: A lien for property taxes applies to your property on January 1 of each year for the taxes owing in the following fiscal year, July 1 through June 30. One-half of these taxes is due November 1, and one-half is due February 1. The first installment becomes delinquent on December 10, and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. **IF THIS TRANSFER OCCURS AFTER JANUARY 1 AND ON OR BEFORE DECEMBER 31, YOU MAY BE RESPONSIBLE FOR THE SECOND INSTALLMENT OF TAXES DUE FEBRUARY 1.**
 The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the County Assessor. For further information on your supplemental roll obligation, please call the Orange County Assessor.

PART I: TRANSFER INFORMATION (Please answer all questions)

- | | | | |
|-----|-------------------------------------|-----|--|
| YES | <input type="checkbox"/> | A. | Is this transfer solely between husband and wife (addition of a spouse, death of a spouse, divorce settlement, etc.)? |
| | <input type="checkbox"/> | B. | Is this transaction only a correction of the name(s) of the person(s) holding title to the property (for example, a name change upon marriage)? Please explain _____ |
| | <input type="checkbox"/> | C. | Is this document recorded to create, terminate, or reconvey a lender's interest in the property? |
| | <input type="checkbox"/> | D. | Is this transaction recorded only as a requirement for financing purposes or to create, terminate, or reconvey a security interest (e.g. cosigner)? Please explain _____ |
| | <input type="checkbox"/> | E. | Is this document recorded to substitute a trustee of a trust, mortgage, or other similar document? |
| | <input type="checkbox"/> | F. | Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants? |
| | <input type="checkbox"/> | G. | Does this transfer return property to the person who created the joint tenancy (original transferor)? |
| | <input type="checkbox"/> | H. | Is this transfer of property: |
| | <input type="checkbox"/> | 1. | to a revocable trust that may be revoked by the transferor and is for the benefit of the <input type="checkbox"/> transferor <input type="checkbox"/> transferor's spouse? |
| | <input type="checkbox"/> | 2. | to a trust that may be revoked by the Creator/Grantor who is also a joint tenant, and which names the other joint tenant's as beneficiaries when the Creator/Grantor dies? |
| | <input type="checkbox"/> | 3. | to an irrevocable trust for the benefit of the <input type="checkbox"/> Creator/Grantor and/or <input type="checkbox"/> Grantor's spouse? |
| | <input type="checkbox"/> | 4. | to an irrevocable trust from which the property reverts to the Creator/Grantor within 12 years? |
| | <input type="checkbox"/> | I. | If this property is subject to a lease, is the remaining lease term 35 years or more including written options? |
| | <input type="checkbox"/> | *J. | Is this a transfer between <input type="checkbox"/> parent(s) and child(ren)? <input type="checkbox"/> or from grandparent(s) to grandchild(ren)? |
| | <input type="checkbox"/> | *K. | Is this transaction to replace a principal residence by a person 55 years of age or older?
Within the same county? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | <input type="checkbox"/> | *L. | Is this transaction to replace a principal residence by a person who is severely disabled as defined by Revenue and taxation code section 69.5? Within the same county? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | <input checked="" type="checkbox"/> | M. | Is this transfer solely between domestic partners currently registered with the California Secretary of State? |

* If you checked yes to J, K or L, you may qualify for a property tax reassessment exclusion, which may result in lower taxes on your property. If you do not file a claim, your property will be reassessed.

Please provide any other information that would help the Assessor to understand the nature of the transfer.

If the conveying document constitutes an exclusion from a change in ownership as defined in section 62 of the Revenue and Taxation Code for any reason other than those listed above, set forth the specific exclusions claimed: **EXEMPT PURSUANT TO R & T CODE #11922**
 Please answer all questions in each section. If a question does not apply, indicate with "N/A." Sign and date at bottom of second page.

PART II: OTHER TRANSFER INFORMATION

- A. Date of transfer if other than recording date _____
- B. Type of transfer. Please check appropriate box.
 Purchase Foreclosure Gift Trade or Exchange Merger, Stock, or Partnership Acquisition
 Contract of Sale - Date of Contract _____ Other: (please explain): _____
 Inheritance - Date of Death _____ Termination of a Lease Sale/Leaseback
 Creation of a Lease Assignment of a Lease
 Date lease began _____ Original term in years (including written options) _____
 Remaining term in years (including written options) _____
 Monthly Payment _____ Remaining Term _____
 C. Was only a partial interest in the property transferred? Yes No If yes, indicate the percentage transferred _____ %

PRELIMINARY CHANGE OF OWNERSHIP REPORT

Please answer, to the best of your knowledge, all applicable questions, sign and date. If a question does not apply, indicate with "N/A."

PART III: PURCHASE PRICE AND TERMS OF SALE

A. CASH DOWN PAYMENT OR Value of Trade or Exchange (excluding closing costs) Amount \$ 385,000

B. FIRST DEED OF TRUST @ _____ % interest for _____ years. Pymts/Mo.=\$ _____ (Prin. & Int. only) Amount \$ _____

FHA (_____ Discount Points) Fixed Rate New Loan

Conventional Variable Rate Assumed Existing Loan Balance

VA (_____ Discount Points) All inclusive D.T. (\$ _____ Wrapped) Bank or Savings & Loan

Cal-Vet Loan Carried by Seller Finance Company

Balloon Payment Yes No Due Date _____ Amount \$ _____

C. SECOND DEED OF TRUST @ _____ % interest for _____ years. Pymts/Mo.=\$ _____ (Prin. & Int. only) Amount \$ _____

Bank or Savings & Loan Fixed Rate New Loan

Loan Carried by Seller Variable Rate Assumed Existing Loan Balance

Balloon Payment Yes No Due Date _____ Amount \$ _____

D. OTHER FINANCING: Is other financing involved not covered in (b) or (c) above? Yes No (Prin. & Int. only) Amount \$ _____

Type _____ @ _____ % interest for _____ years. Pymts./Mo.=\$ _____

Bank or Savings & Loan Fixed Rate New Loan

Loan Carried by Seller Variable Rate Assumed Existing Loan Balance

Balloon Payment Yes No Due Date _____ Amount \$ _____

E. WAS AN IMPROVEMENT BOND ASSUMED BY THE BUYER? Yes No Outstanding Balance: Amount \$ _____

F. TOTAL PURCHASE PRICE (or acquisition price, if traded or exchanged, include real estate commission if paid.)

Total Items A through E **\$ 385,000.00**

G. PROPERTY PURCHASED Through a broker Direct from seller From a family member Other (please explain) _____

If purchased through a broker, provide broker's name and phone number: _____

Please explain any special terms, seller concessions, or financing and any other information that would help the Assessor understand the purchase price and terms of sale.

PART IV: PROPERTY INFORMATION

A. TYPE OF PROPERTY TRANSFERRED:

Single-family residence Agricultural Timeshare

Multiple-family residence (no. of units: _____) Co-op/Own-your-own Manufactured Home

Commercial/Industrial Condominium Unimproved lot

Other (Description: -i.e. timber, mineral, water rights, etc.)

B. IS THIS PROPERTY INTENDED AS YOUR PRINCIPAL RESIDENCE? Yes No

If yes, enter date of occupancy _____ or intended occupancy _____

C. IS PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE (i.e., furniture, farm equipment, machinery, etc.) Yes No

(other than a manufactured home subject to local property tax)? Yes No (Attach itemized list of personal property).

If yes, enter the value of the personal property included in the purchase price \$ _____

D. IS A MANUFACTURED HOME INCLUDED IN PURCHASE PRICE? Yes No

If yes, how much of the purchase price is allocated to the manufactured home? \$ _____

Is the manufactured home subject to local property tax? Yes No What is the decal number? _____

E. DOES THE PROPERTY PRODUCE INCOME? Yes No If yes, is the income from:

Lease/Rent Contract Mineral Rights Other (please explain): _____

F. WHAT WAS THE CONDITION OF PROPERTY AT THE TIME OF SALE?

Good Average Fair Poor

Please explain the physical condition of the property and provide any other information (such as restrictions, etc.) that would assist the Assessor in determining the value of the property.

CERTIFICATION

OWNERSHIP TYPE (✓)

Proprietorship

Partnership

Corporation

Other

I certify that the foregoing is true, correct and complete to the best of my knowledge and belief.
This declaration is binding on each and every co-owner and/or partner.

NAME OF NEW OWNER/CORPORATE OFFICER	TITLE
SIGNATURE OF NEW OWNER/CORPORATE OFFICER <i>Matthew Ferial</i>	DATE 3-31-2010
NAME OF ENTITY (typed or printed)	FEDERAL EMPLOYER ID NUMBER
ADDRESS (typed or printed)	E-MAIL ADDRESS (OPTIONAL)
	DATE

(NOTE: The Assessor may contact you for further information.)
If a document evidencing a change of ownership is presented to the recorder for recordation without the concurrent filing of a preliminary change of ownership report, the recorder may charge an additional recording fee of twenty dollars (\$20).

Exhibit "A" to the Grant Deed

LEGAL DESCRIPTION OF THE PROPERTY

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

That portion of Block Six of the "Garden Grove Home Tract", as shown on a Map recorded in Book 4, page 57 of Miscellaneous Maps, records of Orange County, California, described as follows:

Beginning at a point in the East line of said Block Six, which point is 113 feet Southerly from the intersection of the East line with the Easterly extension of the South line of Lot Seven of Tract No. 631, as shown on a Map recorded in Book 20, page 26 of Miscellaneous Maps, records of Orange County, California, said point being also the Southeast corner of the land conveyed to Russell A. Weir and wife by deed recorded September 24th, 1948 in Book 1705, page 416 of Official Records; thence West parallel to the south line of said Lot Seven and the Easterly prolongation thereof 145.67 feet, more or less, to the Southwest corner of said land conveyed to Weir; thence South along the Southerly extension of the Westerly line of said Lot Seven, 53 feet; thence East parallel to the South line of said Lot Seven and the Easterly extension thereof 145.67 feet, more or less, to the East line of said Block Six; thence North 53 feet to the point of beginning.

END OF LEGAL DESCRIPTION

EXHIBIT C

DO NOT RECORD.
DO NOT SEND
TO IRS.

TRANSFeree (BUYER)
MUST RETAIN FOR
SIX YEARS AFTER
THE TRANSACTION.

**CERTIFICATION OF NON-FOREIGN
STATUS BY TRANSFEROR**

1. Section 1445 of the Internal Revenue Code provides that a transferee (Buyer) of a U. S. real property interest must withhold tax if the transferor (Seller) is a foreign person.

2. In order to inform each transferee that withholding of tax is not required upon disposition of a U. S. real property interest by _____ (hereinafter referred to as "the Transferor"), the undersigned hereby certifies, and declares by means of this certification, the following on behalf of the Transferor:

A. The one item marked below is true and correct:

_____ (I) The Transferor is not a foreign individual, foreign corporation, foreign partnership, foreign trust, or foreign estate (as these terms are defined in the Internal Revenue Code and Income Tax Regulations).

_____ (II) The Transferor is a corporation incorporated under the laws of a foreign jurisdiction but has elected to be treated as a U. S. corporation under Section 897(i) of the Internal Revenue Code, AND HAS ATTACHED TO THIS CERTIFICATE A TRUE AND GENUINE COPY OF THE ACKNOWLEDGMENT OF SUCH ELECTION ISSUED BY THE IRS.

B. The Transferor's social security number is _____.

C. The Transferor's address is _____.

3. The Transferor understands that this certificate may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained in this certification may be punished by fine or imprisonment (or both).

4. The Transferor understands that each transferee is relying on this certificate in determining whether withholding is required and each transferee may face liabilities if any statement in this certificate is false.

5. The Transferor hereby indemnifies each transferee, and agrees to defend and hold each transferee harmless, from any liability, cost, damage, or expense which such transferee may incur as a result of:

A. the Transferor's failure to pay any U. S. Federal income tax which the Transferor is required to pay under applicable U. S. law, or

B. any false or misleading statement contained herein.

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete; I further declare that I have authority to sign this document on behalf of the Transferor.

EXECUTED in _____ County, State of _____

on _____

Transferor: _____

By: _____

Title: _____

EXHIBIT D

HAZARDOUS SUBSTANCE DEFINITION

The term "Hazardous Substance" as used in this Agreement shall mean any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, including but not limited to those substances, materials or wastes regulated now or in the future under any of the statutes or regulations listed below and any and all of those substances included within the definitions of "hazardous substances", "hazardous materials", "hazardous waste", "hazardous chemical substance or mixture", "imminently hazardous chemical substance or mixture", "toxic substances", "hazardous air pollutant", "toxic pollutant" or "solid waste" in the statutes or regulations listed below. Hazardous Substances shall also mean any and all other similar terms defined in other federal state and local laws, statutes, regulations, orders or rules and materials and wastes which are, or in the future become, regulated under applicable local, state or federal law for the protection of health or the environment or which are classified as hazardous or toxic substances, materials or waste, pollutants or contaminants, as defined, listed or regulated by any federal, state or local law, regulation or order or by common law decision, including, without limitation, (i) trichloroethylene, tetrachloroethylene, perchloroethylene and other chlorinated solvents, (ii) any petroleum products or fractions thereof, (iii) asbestos, (iv) polychlorinated biphenyls, (v) flammable explosives, (vi) urea formaldehyde, and (vii) radioactive materials and waste.

In addition, a Hazardous Substance shall include:

- (1) a "Hazardous Substance", "Hazardous Material", "Hazardous Waste", or "Toxic Substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, et seq., or the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, et seq.;
- (2) "Oil" or a "Hazardous Substance" listed or identified pursuant to § 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, as well as any other hydrocarbonic substance or by-product;
- (3) listed by the State of California as a chemical known by the State to cause cancer or reproductive toxicity;
- (4) a material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or public agency requires in order for the property to be put to any lawful purpose;
- (5) any material the presence of which would require remediation, whether or not the presence of such material resulted from a leaking underground fuel tank;
- (6) pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq.;

(7) asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.;

(8) any radioactive material including, without limitation, any "source material", "special nuclear material", "by-product material", "low-level wastes", "high-level radioactive waste", "spent nuclear fuel" or "transuranic waste", and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. §§ 2011 et seq., or the Nuclear Waste Policy Act, 42 U.S.C. §§ 10101 et seq.

(9) industrial process and pollution control wastes, whether or not "hazardous" within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.;

All other laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, promulgated pursuant to said foregoing statutes and regulations or any amendments or replacement thereof, provided such amendments or replacements shall in no way limit the original scope and/or definition of Hazardous Substance defined herein.