



# Fidelity National Title Company

377 E. Chapman Suite 235 • Placentia, CA 92870  
(714) 577-5202 • FAX (714) 996-2254

## PRELIMINARY REPORT

TITLE OFFICER: Debbie Tognetti

ORDER NO.: 49033605

TO:

LOAN NO.:

SHORT TERM RATE: No

PROPERTY ADDRESS: 12941 9th Street, Garden Grove, California

EFFECTIVE DATE: March 16, 2006, 07:30 A.M.

The form of Policy or Policies of title insurance contemplated by this report is:

American Land Title Association Loan (10-17-92) with A.L.T.A.  
American Land Title Association Homeowner's Policy of Title For a One-To-Four Family  
Residence (10/17/98)

1. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A Fee

2. TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

**Myrna Mercer and Lynne Luciani, Successor Trustees of The Natland Family Trust under instrument dated April 24, 1986**

3. THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE CITY OF GARDEN GROVE, IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "ONE" ATTACHED HERETO AND MADE A PART HEREOF

COLJP 03/27/2006

**EXHIBIT "ONE"**

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 166 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 ROBERT E. SCHRANDT AND WIFE BY DEED RECORDED MARCH 25TH, 1949 IN BOOK 1820, PAGE 207, 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 SCHRANDT; THENCE SOUTH ALONG THE SOUTHERLY EXTENSION OF THE WESTERLY LINE OF SAID LOT SEVEN, 75.03 FEET TO A POINT IN A LINE WHICH IS PARALLEL TO AND DISTANT 125 FEET NORTHERLY OF THE SOUTH LINE OF SAID BLOCK SIX; THENCE EASTERLY ALONG SAID PARALLEL LINE 145.67 FEET TO THE EAST LINE OF SAID BLOCK SIX; THENCE NORTH 75.03 FEET TO THE POINT OF BEGINNING.

Assessor's Parcel No: 090-174-10

**AT THE DATE HEREOF, ITEMS TO BE CONSIDERED AND EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS IN SAID POLICY FORM WOULD BE AS FOLLOWS:**

1. **Property taxes**, including any personal property taxes and any assessments collected with taxes, for the fiscal year 2005-2006, Assessor's Parcel Number 090-174-10.  
  
Code Area Number: 18153  
1st Installment: \$475.50 paid  
2nd Installment: \$475.50 not paid  
Land: \$24,238.00  
Improvements: \$47,689.00  
Exemption: \$7000  
Personal Property: \$None shown  
Bill No.: None shown
  
2. **Property taxes**, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2006-2007.
  
3. **The lien of supplemental taxes**, if any, assessed pursuant to the provisions of Chapter 3.5 (Commencing with Section 75) of the Revenue and Taxation code of the State of California.
  
4. **Easement(s)** for the purpose(s) shown below and rights incidental thereto as granted in a document;  
  
Granted to: Southern California Edison Company  
Purpose: Public Utilities  
Recorded: March 1, 1951, Book 2155, Page 80, of Official Records  
Affects: Southerly 1 foot
  
5. **Any easements** not disclosed by those public records which impart constructive notice as to matters affecting title to real property and which are not visible and apparent from an inspection of the surface of said land.
  
6. **A lien for unsecured property taxes** filed by the tax collector of the county shown, for the amount set forth, and any other amounts due.  
  
County: Orange  
Fiscal Year: 1999-2000  
Taxpayer: Mercer Myrna C. TR  
County Identification Number: 99-525045  
Amount: \$273.30  
Recorded: May 8, 2000, Instrument No. 239956, of Official Records
  
7. If title is to be insured in the trustee(s) of a trust, (or if their act is to be insured), this Company will require a **Trust Certification pursuant to California Probate Code Section 18100.5**. The Company reserves the right to except additional items and/or make additional requirements after reviewing said documents.

8. We find various Liens and Judgments, that are of record against persons with similar or the same name as that of our vestee(s) shown herein. In order to complete this report, this Company requires a **Statement of Information** to be provided for the following vestee(s), which may allow and assist elimination of some or all of said Liens and Judgments. After review of the requested Statement(s) of Information, the Company reserves the right to add additional items or make further requirements prior to the issuance of any Policy of Title Insurance.

Vestee(s): Myrna Mercer and Lynne Luciani

9. Your application for title insurance was placed by reference to a street address only. Based on our records, we believe that the description in this report covers the parcel that you requested.

To prevent errors and to be certain that the proper parcel of land will appear on the documents and on the policy of title insurance, we require written approval of the legal description in this report be sent to this Company, signed by the parties to the transaction.

10. This company will require a statement of information from the parties named below in order to complete this report, based on 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. After review of the requested Statement(s) of Information the Company may have additional requirements before the issuance of any policy of title insurance.

Parties: City of Garden Grove

(Note: The statement of information is necessary to complete the search and examination of title under this order. Any title search includes matters that are indexed by name only, and having a completed statement of information assists the Company in the elimination of certain matters which appear to involve the parties but in fact affect another party with the same or similar name. Be assured that the statement of information is essential and will be kept strictly confidential to this file).

### END OF ITEMS

- Note 1. The office of Debbie Tognetti may be reached by phone at (714) 577-5200 or fax (714) 996-2296
- Note 2. None of the items shown in this report will cause the Company to decline to attach CLTA Endorsement Form 100 to an Extended Coverage Loan Policy, when issued.
- Note 3. The Company is not aware of any matters which would cause it to decline to attach the CLTA Endorsement Form 116 indicating that there is located on said land single family residence known as 12941 9th Street, Garden Grove, CA to an Extended Coverage Loan Policy.
- Note 4. The only deeds affecting said land, which recorded within twenty-four (24) months of the date of this report, as are follows:
- Grantor: Margaret E. Natland  
 Grantee: Myrna Mercer and Lynne Luciani, Successor Trustees of The Natland Family Trust under instrument dated April 24, 1986  
 Recorded: March 6, 2006, Instrument No. 00146914, of Official Records

- Note 5.** The charge for a policy of title insurance, when issued through this title order, will be based on the Basic (not Short-Term) Title Insurance Rate.
- Note 6.** NOTE: Amended Civil Code Section 2941, which becomes effective on January 1, 2002, sets the fee for the processing and recordation of the reconveyance of each Deed of Trust being paid off through this transaction at \$45.00. The reconveyance fee MUST be clearly set forth in the Beneficiary's Payoff Demand Statement ("Demand"). In addition, an assignment or authorized release of that fee, from the Beneficiary to the Trustee of record, must be included. An example of the required language is as follows:
- "The Beneficiary identified above hereby assigns, releases or transfers to the Trustee of record, the sum of \$45.00, included herein as "Reconveyance Fees", for the processing and recordation of the Reconveyance of the Deed of Trust securing the indebtedness covered hereby, and the Escrow Company or Title Company processing this pay-off is authorized to deduct the Reconveyance Fee from this Demand and forward said fee to the Trustee of record or the successor Trustee under the Deed of Trust to be paid in full."
- Note 7.** Wiring Instructions for Fidelity National Title Company, Orange County, California are as follows:
- Receiving Bank:
- COMERICA BANK CALIFORNIA  
FINANCIAL SERVICES GROUP  
BEVERLY HILLS, CA 90301  
ABA ROUTING NO.: 121137522  
CREDIT ACCOUNT NO.: 189-1964-288  
CREDIT ACCOUNT NAME: FIDELITY NATIONAL TITLE COMPANY - TRUST
- Order Numbers must be referenced on all wiring.
- These wiring instructions are for this specific transaction involving the Title Department of the Orange County office of Fidelity National Title. These instructions therefore should not be used in other transactions without first verifying the information with our accounting department. It is imperative that the wire text be exactly as indicated. Any extraneous information may cause unnecessary delays in confirming the receipt of funds.
- Note 8.** The Note shown below, which recites: "California Revenue and Taxation Code Section 18668, effective January 1, 1991, requires that the buyer in all sales of California Real Estate, wherein the Seller shows an out of State Address, withhold 3-13% of the total sales price as California State Income Tax, subject to the various provisions of the law as therein contained."
- is hereby deleted and replaced with the following:
- 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 9.****NOTICE**

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19, 1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts.

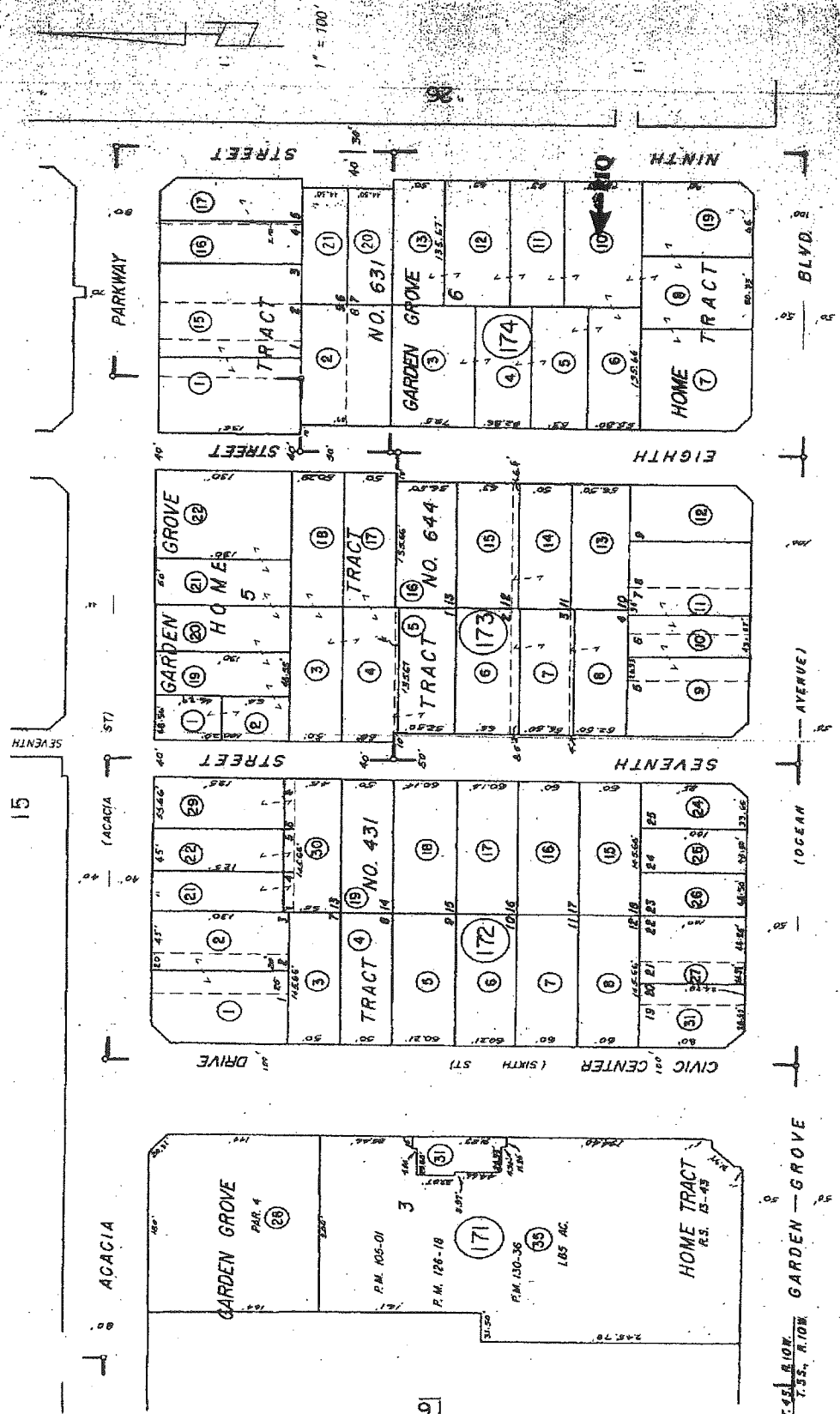
If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything, the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is subject of your current transaction, you must inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company of the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount.

- Note 10.** The current owner does NOT qualify for the \$20.00 discount pursuant to the coordinated stipulated judgments entered in actions filed by both the Attorney General and private class action plaintiffs for the herein described property.
- Note 11.** Section 12413.1, California Insurance Code became effective January 1, 1990. This legislation deals with the disbursement of funds deposited with any title entity acting in an escrow or subescrow capacity. The law requires that all funds be deposited and collected by the title entity's escrow and/or subescrow account prior to disbursement of any funds. Some methods of funding may subject funds to a holding period which must expire before any funds may be disbursed. In order to avoid any such delays, all fundings should be done through wire transfer, certified check or checks drawn on California financial institutions.
- Note 12.** The charge where an order is cancelled after the issuance of the report of title, will be that amount which in the opinion of the Company is proper compensation for the services rendered or the purpose for which the report is used, but in no event shall said charge be less than the minimum amount required under Section 12404.1 of the Insurance Code of the State of California. If the report cannot be cancelled "no fee" pursuant to the provisions of said Insurance Code, then the minimum cancellation fee shall be that permitted by law.
- Note 13.** 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.

090-11



100-03

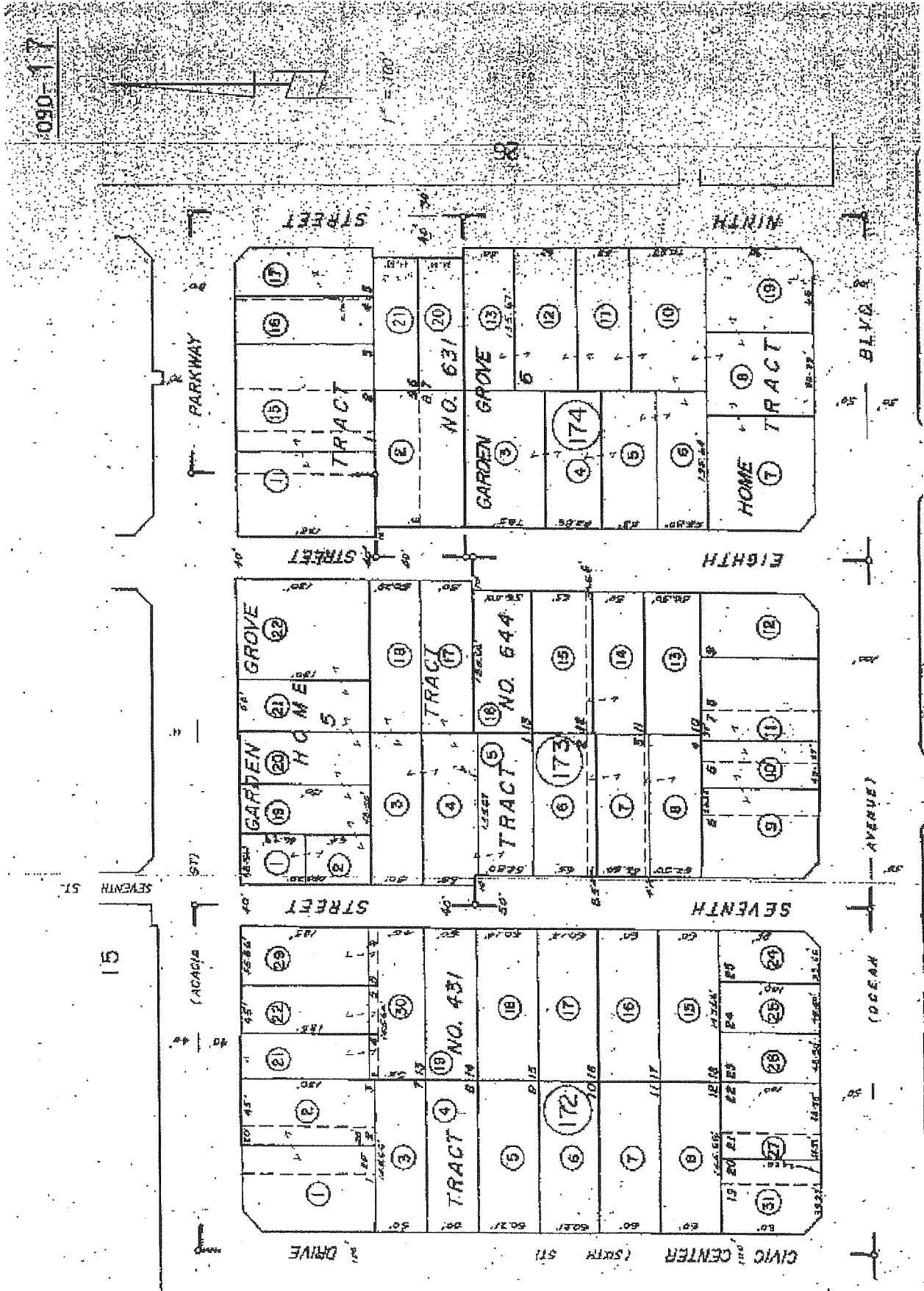
NOTE - ASSESSOR'S BLOCK & PARCEL NUMBERS SHOWN IN CIRCLES

ASSESSOR'S MAP BOOK 090 PAGE 17 COUNTY OF ORANGE

100-01

GARDEN GROVE HOME TR. M. M. 4-57  
 TRACT NO. 431 M. M. 16-49  
 TRACT NO. 631 M. M. 20-26  
 TRACT NO. 644 M. M. 20-6  
 PARCEL MAP P. M. 105-01

MARCH 1951





PARCEL NO: 090-017-010  
TITLE REPORT NO: 49033605  
PROJECT: Civic Center

**AGREEMENT FOR ACQUISITION OF REAL PROPERTY  
EXCLUSIVE OF RELOCATION ENTITLEMENTS  
(ESCROW INSTRUCTIONS)**

THIS AGREEMENT is entered into this 25<sup>TH</sup> day of APRIL, 2006, by and between the GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, a public body corporate and politic ("Agency"), and the undersigned MYRNA MERCER AND LYNNE LUCIANI, SUCCESSOR TRUSTEES OF THE NATLAND FAMILY TRUST (collectively the "Seller"), for acquisition by Agency of certain real property described below.

IT IS HEREBY MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

1. **Agreement to Sell and Purchase.** Seller agrees to sell to Agency, and Agency agrees to purchase from Seller, upon the terms and for the consideration set forth in this Agreement, that certain real property ("Property") situated in the City of Garden Grove, County of Orange, State of California, and legally described in Exhibit "A" attached hereto and incorporated herein by reference.
2. **Purchase Price.** The total purchase price, payable in cash through escrow, shall be the sum of Seven-Hundred Eighty-Five Thousand Nine-Hundred dollars (\$785,900.00)(the "Purchase Price").
3. **Conveyance of Title.** Seller agrees to convey by Grant Deed to Agency marketable fee simple title to the Property free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases, and taxes EXCEPT:
  - A. Taxes for the tax year in which escrow closes shall be cleared and paid in the manner required by Section 5086 of the Revenue and Taxation Code, if paid at the close of escrow.
  - B. Covenants, conditions, restrictions and reservations of record, or contained in the above referenced title report issued by Fidelity National Title Company, Dated March 16, 2006.
  - C. Easements or rights-of-way over the Property for public or quasi-public utility or public street purposes, if any.
4. **Title Insurance Policy.** Escrow Agent shall, following recording of deed of Agency, provide Agency with CLTA Standard Coverage Policy of Title Insurance in the amount of the Purchase Price, issued by Fidelity National Title Company or a title company mutually satisfactory to Agency and Seller, showing fee simple title to the Property vested in Agency, subject only to the exceptions set forth in Paragraph 3 and the printed exceptions and stipulations in the policy. Agency agrees to pay the premium charged.
5. **Escrow.** Agency agrees to open an escrow in accordance with this Agreement with Talbrook Escrow, 10061 Talbert Avenue, Suite 350, Fountain Valley, California 92708 or an escrow company mutually satisfactory to Agency and Seller. This Agreement constitutes the joint escrow instructions of Agency and Seller, and Escrow Agent to whom these instructions are delivered is hereby empowered to act under this Agreement. The parties hereto agree to do all acts necessary to close this escrow in the shortest possible time.
  - 5.1 **Grant Deed.** Seller has executed and delivered a Grant Deed (the "Grant Deed") to Agency concurrently with this Agreement. As soon as possible after opening of escrow, Agency will deposit

the executed Grant Deed, with Certificate of Acceptance attached, with Escrow Agent on Seller's behalf. Agency agrees to deposit the Purchase Price upon demand of Escrow Agent. Agency and Seller agree to deposit with Escrow Agent any additional instruments as may be necessary to complete this transaction.

- 5.2 Insurance. Insurance policies for fire or casualty are not to be transferred, and Seller will cancel its own policies after close of escrow.
- 5.3 Escrow Account. All funds received in this escrow shall be deposited with other escrow funds in a general escrow account(s) and may be transferred to any other escrow trust account in any State or National Bank doing business in the State of California. All disbursements shall be made by check from the account.

6. **Tax Adjustment Procedure.**

**ESCROW AGENT IS AUTHORIZED AND IS INSTRUCTED TO COMPLY WITH THE FOLLOWING TAX ADJUSTMENT PROCEDURE:**

- 6.1 Delinquent Taxes. Pay and charge Seller for any unpaid delinquent property taxes and/or penalties and interest thereon, and for any delinquent assessments or bonds against the Property.
- 6.2 Proration. Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year. Seller's prorata portion of taxes 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.
- 6.3 Refund of Taxes. Seller shall have the sole right, after close of escrow, to apply to the Orange County Tax Collector for refund of any excess property taxes, which have been paid by Seller with respect to the Property. This refund would apply to the period after Agency's acquisition, pursuant to Revenue and Taxation Code Section 5096.7.

7. **Escrow Agent Authorization.**

**ESCROW AGENT IS AUTHORIZED TO, AND SHALL:**

- 7.1 Seller. Pay and charge Seller for any amount necessary to place title in the condition necessary to satisfy Paragraph 3 of this Agreement.
- 7.2 Agency. Pay and charge Agency for any escrow fees, charges, and costs payable under Paragraph 5 of this Agreement.
- 7.3 Disbursement. Disburse funds and deliver the Grant Deed when conditions of this escrow have been fulfilled by Agency and Seller.
- 7.4 Close of Escrow. The term "close of escrow," if and where written in these instructions, shall mean the date, the Grant Deed and other necessary instruments of conveyance are recorded in the office of the Orange County Recorder. Recordation of instruments delivered through this escrow is authorized, if necessary or proper in the issuance of the policy of title insurance.
- 7.5 Time Limits. All time limits within which any matter specified is to be performed may be extended by mutual agreement of the parties. Any amendment of, or supplement to, any instructions must be in writing.

- 7.6 Time of the Essence. **TIME IS OF THE ESSENCE IN THESE INSTRUCTIONS AND ESCROW IS TO CLOSE AS SOON AS POSSIBLE.** If (except for deposit of money by Agency, which shall be made by Agency upon demand of Escrow Agent before close of escrow) this escrow is not in condition to close within 45 days from date of these instructions, any party who then shall have fully complied with its instructions may, in writing, demand the return of its money or property; but if neither party complied, no demand for return shall be recognized until five (5) days after Escrow Agent shall have mailed copies of demand to all other parties at the respective addresses shown in these escrow instructions, and if any objections are raised within five (5) day period, Escrow Agent is authorized to hold all papers and documents until instructed by a court of competent jurisdiction or mutual instructions. If no demands are made, Escrow Agent shall proceed with closing of this escrow on or before 30 days from the execution of this Agreement.
- 7.7 Escrow Agent Responsibility. The responsibility of the Escrow Agent under this Agreement is expressly limited to Paragraphs 1, 2, 3, 4, 5, 6, 7, 8, 11, 12 and 20 and to its liability under any policy of title insurance issued in regard to this escrow.
- 7.8 Escrow Fees, Charges and Costs. Agency agrees to pay all Agency's and Seller's usual fees, charges, and costs which arise in this escrow.

8. Conditions Precedent to Close of Escrow.

Agency's Conditions Prior to Closing. The obligation of the Agency to complete the purchase of the Property is subject to the satisfaction of the following conditions:

- 8.1 Seller shall deliver through escrow an executed and recordable Grant Deed sufficient to convey fee title to the Agency as set forth in Section 5.1.
- 8.2 Seller shall deliver through escrow a Non-Foreign Transferor Declaration duly executed and in the form of Exhibit "B" attached hereto and made a part hereof.
- 8.3 Seller shall deliver through escrow such funds and documents as are necessary to comply with Seller's obligations under this Agreement.
- 8.4 Seller is not in default of any of its obligations under the terms of this Agreement, and all representations of Seller herein are true and correct.
- 8.5 Escrow Agent has committed to deliver to Agency a title insurance policy as required by Section 4 hereof.
- 8.6 The Agency shall not have terminated this Agreement.
- 8.7 The Property is in the condition required by this Agreement.

Seller's Conditions Precedent to Closing. The obligation of Seller to complete the sale of the Property is subject to the satisfaction of the following conditions:

- 8.8 The Agency is not in default of any of its obligations under the terms of this Agreement, and all representations of Agency herein are true and correct.
- 8.9 The Agency shall have deposited with the Escrow Agent immediately available funds in an amount equal to the Purchase Price and the Agency's share of costs described herein.
- 8.10 The Seller shall not have terminated this Agreement.

9. **Rental and Occupancy by Seller.**

9.1 **Statement of Rentals.** Seller agrees not to rent any units on the premises which are now vacant, or which may be vacated by present occupants prior to close of escrow. Seller warrants that there are no oral or written leases on all or any portion of property exceeding a period of one month, and Seller further agrees to hold Agency harmless and reimburse Agency for any and all of its losses and expenses occasioned by reason of any lease of said property held by any tenant of for period exceeding one month, except: None.

10. **Permission to Enter on Premises.** Seller hereby grants to Agency, or its authorized agents, permission to enter upon the Property at all reasonable times upon not less than two (2) days advance notice prior to close of escrow for the purpose of making necessary or appropriate inspections.

10.1 **Testing.** Within forty-five (45) days of Agency's execution of this Agreement, Agency at its expense may (but is not required to) perform such soil tests as Agency shall deem appropriate (the "Tests"). As soon as practicable after the completion of the Tests, Agency shall provide Seller with a written report (the "Report") describing (i) the results of any such Tests and (ii) any repairs or remedial measures (the "Remedial Measures") proposed to be undertaken to comply with all federal, state and local legal requirements applicable to the conditions disclosed by such Tests, including, but not limited to, any legal requirements relating to hazardous or toxic materials. If Remedial Measures are deemed necessary, Agency and Seller shall each have the right to terminate this Agreement, in which event no party shall have any further liability to the other. Within thirty (30) days after receipt of Agency's notice to terminate, Seller shall have the option to undertake the Remedial Measures in accordance with a remediation plan which is approved by all appropriate governmental authorities and approved by Agency (collectively, the "Plan"), in which event, the Agency's termination shall be revoked and this Agreement shall close as set forth herein, provided, however, Agency shall have no obligation to close unless and until Seller has delivered to Agency a certificate (the "Certificate") from a California licensed hazardous materials specialist that the Property has been remediated in accordance with the Plan. Should Seller elect to undertake Remedial Measures, it shall, in consultation with the appropriate governmental agencies, promptly initiate at its cost and expense such Remedial Measures in a timely manner. The results of the Tests (or any subsequent test conducted prior to the Close of Escrow) shall be deemed to represent the condition of the soil at the Close of Escrow. In the event the Remedial Measures are not complete and Seller has not delivered the Certificate to Agency within six (6) months from the date hereof, Agency shall have the further right to terminate this Agreement, in which event no party shall have any further liability to the other hereunder.

10.2 Agency agrees to indemnify Seller and save it harmless from all damages, actions, causes of action, claims, judgments, costs of litigation, and attorney's fees which may in any way arise out of or result from the Tests. Agency further agrees to repair as nearly as reasonably can be accomplished any damages to the area covered by the Tests and will restore said area to as near its original condition as can be reasonably accomplished.

11. **Counterparts.** This Agreement may be executed in counterparts, each of which when executed shall, regardless of the date of its execution and delivery, be deemed an original, and all counterparts together shall constitute one and the same instrument.

12. **Closing Statement.** Seller instructs Escrow Agent to release a copy of Seller's closing statement to Agency for the purpose of ascertaining if any reimbursements are due Seller.

13. **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 real 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 Agency

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 total price by an amount equal of 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.

14. **Eminent Domain Dismissal.** Seller and Agency 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 all claims to any money on deposit in the action and further waives all attorneys' fees, costs, disbursements, and expenses incurred in connection therewith. If, prior to the close of the execution of this transaction, Seller (or Seller's Tenant) is served with a Summons and Complaint in Eminent Domain in which Seller (or Seller's Tenant) is a named defendant, upon the close of escrow, Seller agrees and consents to Agency taking a default in the action.
  
15. **Possession and Disposition of Seller's Furniture.** Possession of real property and fixtures thereto which are located in or on the Property at the close of escrow shall be given to Agency upon the recording of the Grant Deed. All of the furniture and furnishings shall remain the property of Seller (or Seller's Tenant or other party entitle thereto) and Seller shall have the right at any time to remove or otherwise dispose of all or any portion of same, provided that all tenants occupying the premises at the time the Grant Deed is recorded shall be entitled to continue to use the furniture and furnishings then being used by them until they vacate each of their respective apartments or living spaces, and provided that within ten (10) days after notice from Agency that the premises have been vacated, Seller will remove or otherwise dispose of all the furniture and furnishings. All furniture and furnishings remaining on the Property after ten (10) days shall become the property of Agency and Agency may dispose of same without liability as it alone sees fit. Agency shall not be liable for any loss of or damage to the furniture or furnishings, regardless of when loss or damage occurs.
  
16. **Warranties, Representations, and Covenants of Seller.** Seller hereby warrants, represents, and/or covenants to Agency that:
  - 16.1 **Pending Claims.** To the best of Seller's knowledge, there are no actions, suits, claims, legal proceedings, or any other proceedings affecting the Property or any portion thereof, at law, or in equity before any court or governmental Agency, domestic or foreign.
  - 16.2 **Encroachments.** To the best of Seller's knowledge, there are no encroachments onto the Property by improvements on any adjoining property, nor do any buildings or improvements located on the Property encroach on other properties.
  - 16.3 **Condition of Property.** Until the close of escrow, Seller shall maintain the property in good condition and state of repair and maintenance, and shall perform all of its obligations under any service contracts or other contracts affecting the property.
  - 16.4 **Seller's Title.** Until the close of escrow, Seller shall not do anything which would impair Seller's title to any of the real property.
  - 16.5 **Utilities.** All utilities, without limitation, including gas, electricity, water, sewage, and telephone, are available to the Property, and to the best of Seller's knowledge, all items are in good working order.
  - 16.6 **Conflict with Other Obligation.** To the best of Seller's knowledge, neither the execution of this Agreement nor the performance of the obligations herein will conflict with, or breach any of the provisions of any bond, note, evidence of indebtedness, contract, lease, covenants, conditions and restriction, or other agreement or instrument to which Seller or Seller's Property may be bound.

- 16.7 Change of Situation. Until the close of escrow, Seller shall, upon learning of any fact or condition which would cause any of the warranties and representations in the section not to be true as of the close of escrow, immediately give written notice of such fact or condition to Agency.
- 16.8 Authority. Seller is the owner of and has the full right, power, and authority to sell, convey, and transfer the Property to Agency as provided herein and to carry out Seller's obligations hereunder.
- 16.9 Bankruptcy. Neither Seller nor any related entity is the subject of a bankruptcy proceeding, and permission of a bankruptcy court is not necessary for Seller to be able to transfer the Property as provided herein.
17. Hazardous Waste. Neither Seller nor, to the best of Seller's knowledge, any previous owner, tenant, occupant, or user of the Property used, generated, released, discharged, stored, or disposed of any hazardous waste, toxic substances, or related materials ("Hazardous Materials") on, under, in, or about the Property, or transported any Hazardous Materials to or from the Property. Seller shall not cause or permit the presence, use, generation, release, discharge, storage, or disposal of any Hazardous Materials on, under, in, or about, or the transportation of any Hazardous materials to or from, the Property. The term "Hazardous Material" shall mean any substance, material, or waste which is or becomes regulated by any local governmental authority, the State of California, or the "United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "acutely hazardous waste," "restricted hazardous waste," or "extremely hazardous waste" under Section 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law, (ii) defined as "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) asbestos, (vii) polychlorinated byphenyls, (viii) listed under Article 9 or defined as "hazardous"; or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Code of Regulations, Chapter 20, (ix) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, (33 U.S.C. Section 1317), (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903) or (xi) defined as a "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 9601).
18. Compliance With Environmental Laws. To the best of Seller's knowledge the Property and its intended use complies with all applicable laws and governmental regulations including, without limitation, all applicable federal, state, and local laws pertaining to air and water quality, hazardous waste, waste disposal, and other environmental matters, including, but not limited to, the Clean Water Act, Clean Air Act, Federal Water Pollution Control Act, Solid Waste Disposal Act, Resource Conservation Recovery Act and Comprehensive Environmental Response, Compensation and Liability Act, and the rules, regulations, and ordinances of the Agency of Garden Grove, the California Department of Health Services, the Regional Water Quality Control Board, the State Water Resources Control Board, the Environmental Protection Agency, and all applicable federal, state, and local agencies and bureaus. Seller has not received any notices of violation of any of the above laws and regulations.
19. Indemnity. Seller agrees to indemnify, defend and hold Agency harmless from and against any claims, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive damage, or expense (including, without limitation, attorneys' fees), resulting from, arising out of, or based upon (i) the presence, release, use, generation, discharge, storage, or disposal of any Hazardous Material on, under, in or about, or the transportation of any such materials to or from, the Property, or (ii) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment, or license relating to the use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in or about, to or

from, the Property, or (iii) as a negative result from the Agency's vote to decline to purchase the property, Seller agrees to protect, defend, and hold harmless Agency and its elective or appointive boards, officers, agents, and employees. This indemnity shall include, without limitation, any damage, liability, fine, penalty, punitive damage, cost, or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease, or death, tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resources or the environment, nuisance, pollution, contamination, leak, spill, release, or other adverse effect on the environment. This indemnity extends only to liability created prior to or up to the date this escrow shall close. Seller shall not be responsible for acts or omissions to act after the close of this escrow.

20. **Contingency.** It is understood and agreed between the parties hereto that the completion of this transaction, and the escrow created hereby, is contingent upon the specific acceptance and approval of the Agency herein. The execution of these documents and the delivery of same to Escrow Agent constitutes said acceptance and approval.
21. **Full and Complete Settlement for Fee Interest.** The total compensation to be paid by Agency to Seller is all of Seller's interest in the property and any rights or obligations which exist or may arise out of the acquisition of the property for public purposes, including without limitation, Seller's fee 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 Agency. The consideration paid under this Agreement does not reflect any consideration of or allowance for any relocation assistance and payments or other benefits, which pursuant to Sections 7267.2 and 7277 of the California Government code, Seller is not entitled to receive.
22. **Broker's Commission.** Seller and Agency each warrants and represents that it has not engaged the services of any agent, finder or broker in connection with the transaction which is the subject of this Agreement, and that it is not liable for any real estate commissions, broker's fees or finder's fees which may accrue by means of the sale of the Property. Seller and Agency agree to and do hereby indemnify and hold the other harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensed or otherwise, which it has employed in connection with the transaction covered by this Agreement.
23. **Waiver, Consent and Remedies.** Each provision of this Agreement to be performed by Agency and Seller shall be deemed both a covenant and a condition and shall be a material consideration for Seller's and Agency's performance hereunder, as appropriate, and any breach thereof by Agency or Seller shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.
24. **Attorney's Fees.** In the event any declaratory or other legal or equitable action is instituted between Seller, Agency and/or Escrow Agent in connection with this Agreement then as between Agency and Seller, the prevailing party shall be entitled to recover from the losing party all of its costs and expenses, including

court costs and reasonable attorneys' fees, and all fees, costs and expenses incurred on any appeal or in collection of any judgment.

25. **Notices.** Any notice, request, demand, consent, approval or other communication required or permitted hereunder or by law shall be validly given or made only if in writing and delivered in person to an officer or duly authorized representative of the other party or deposited in the United States mail, duly certified or registered (return receipt requested), postage prepaid, and addressed to the party for whom intended, as follows:

If to Seller:                      Marcia Esswein  
   Talbrook Escrow  
   10061 Talbert Avenue, Suite 350  
   Fountain Valley, CA 92708

If to Agency:                      Garden Grove Agency  
   for Community Development  
   11222 Acacia Parkway  
   Garden Grove, CA 92840  
   Attention: Real Property Office

Any party may from time to time, by written notice to the other, designate a different address which shall be substituted for that specified above. If any notice or other document is sent by mail as aforesaid, the same shall be deemed fully delivered and received forty-eight (48) hours after mailing as provided above.

26. **Default.** Failure or delay by either party to perform any covenant, condition or provision of this Agreement within the time provided herein constitutes default under this Agreement. The injured party shall give written notice of default to the party in default, specifying the default complained of. The defaulting party shall immediately commence to cure such default and shall diligently complete such cure within thirty (30) days from the date of the notice or such longer period if the nature of the default is such that more than thirty (30) days is required to cure such default. The injured party shall have the right to terminate this Agreement by written notice to the other party in the event of a default which is not cured within the time set forth herein.
27. **Gender and Number.** In this Agreement (unless the context requires otherwise), the masculine, feminine and neuter genders and the singular and the plural shall be deemed to include one another, as appropriate.
28. **Entire Agreement.** This Agreement and its exhibits constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and the final, complete and exclusive expression of the terms and conditions thereof. All prior agreements, representations, negotiations and understanding of the parties hereto, oral or written, express or implied, are hereby superseded and merged herein.
29. **Captions.** The captions used herein are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.
30. **Governing Law.** This Agreement and the exhibits attached hereto have been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California.
31. **Invalidity of Provision.** If any provision of this Agreement as applied to any party or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Agreement,



the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

- 32. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by Agency and Seller.
- 33. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.
- 34. **Time of Essence.** Time is of the essence of each provision of this Agreement
- 35. **Binding upon Successors.** The terms and conditions, covenants, and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth herein above.

"AGENCY"

GARDEN GROVE AGENCY FOR  
COMMUNITY DEVELOPMENT

ATTEST:

[Signature]  
Secretary

[Signature]  
Director

Date 4-26-06

"SELLER"

APPROVED AS TO FORM:

[Signature] Successor Trustee  
Trustee

\_\_\_\_\_  
Agency Counsel

[Signature] Successor Trustee  
Trustee

Date \_\_\_\_\_

Date 4/7/06

the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

- 32. **Amendments.** No addition to or modification of any provision contained in this Agreement shall be effective unless fully set forth in writing by Agency and Seller.
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"AGENCY"

GARDEN GROVE AGENCY FOR  
COMMUNITY DEVELOPMENT

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Director

Date \_\_\_\_\_

"SELLER"

APPROVED AS TO FORM:

*[Signature]*  
\_\_\_\_\_  
Agency Counsel

*[Signature]* Successor Trustee  
\_\_\_\_\_  
Successor Trustee

*[Signature]* Successor Trustee  
\_\_\_\_\_  
Successor Trustee

Date 4/12/06

Date 4/7/06

## EXHIBIT "A"

### LEGAL DESCRIPTION (AP NO. 090-017-010)

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 166 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 ROBERT E. SCHRANDT AND WIFE BY DEED RECORDED MARCH 25TH, 1949 IN BOOK 1820, PAGE 207, 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 SCHRANDT; THENCE SOUTH ALONG THE SOUTHERLY EXTENSION OF THE WESTERLY LINE OF SAID LOT SEVEN, 75.03 FEET TO A POINT IN A LINE WHICH IS PARALLEL TO AND DISTANT 125 FEET NORTHERLY OF THE SOUTH LINE OF SAID BLOCK SIX; THENCE EASTERLY ALONG SAID PARALLEL LINE 145.67 FEET TO THE EAST LINE OF SAID BLOCK SIX; THENCE NORTH 75.03 FEET TO THE POINT OF BEGINNING.

JUN 05 2006



## Fidelity National Title Company

377 E. Chapman Suite 235 • Placentia, CA 92870  
(714) 577-5202 • FAX (714) 996-2254

June 1, 2006

Garden Grove Agency for community development  
Attn: Real Property office  
Po Box 3070  
Garden Grove, CA 92842

Order No.: 49033605

We appreciate the opportunity of being of service to you.

Fidelity National Title Insurance Company

Recording Requested By:

CITY OF GARDEN GROVE

AND WHEN RECORDED MAIL TO

Garden Grove Agency for Community Development  
P. O. Box 3070  
Garden Grove, CA 92842  
Attn.: Real Property Office

This Document is electronically recorded by  
Fidelity

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



NO FEE

2006000310616 12:15pm 05/09/06

090-174-10

ASSESSOR PARCEL NUMBER

105 13 302 A04 E

0.00 0.00 0.00 0.00 0.00 0.00 0.00

DOCUMENTARY TRANSFER TAX *864.60*

FIDELITY NATIONAL TITLE

GRANT DEED

*49033605-DT*

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

MYRNA MERCER AND LYNNE LUCIANI, SUCCESSOR TRUSTEES OF THE NATLAND FAMILY  
TRUST UNDER INSTRUMENT DATED APRIL 24, 1986

hereby GRANT(S), to GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, a public body  
corporate and politic all that real property in the City of Garden Grove, County of Orange, State of California,  
described as:

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

NATLAN FAMILY TRUST, UNDER INSTRUMENT  
DATED APRIL 24, 1986

Dated: *4-10-2006*

By: *Myrna Mercer Successor Trustee*  
MYRNA MERCER, SUCCESSOR TRUSTEE

STATE OF ~~CALIFORNIA~~ *Missouri*  
COUNTY OF *St. Louis*, S.S.

By: *Lynne Luciani Successor Trustee*  
LYNNE LUCIANI, SUCCESSOR TRUSTEE

On *April 10, 2006* before me,

*Blenda Thyrring*

a Notary Public in and for said County and State, personally appeared

*Myrna Mercer*  
personally known to me (or 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.

**BLENDA C. THYRRING**  
Notary Public - Notary Seal  
STATE OF MISSOURI  
St. Louis County  
My Commission Expires: Sept. 22, 2009  
My Commission #05414304

WITNESS my hand and official seal  
Signature *[Signature]*

FOR NOTARY SEAL OR STAMP

Place Government Code 27361-7

I certify under penalty of perjury that the notary  
Acknowledgement on the document to which this  
Statement reads as follows:

Name of notary. Blenda C. Hyring


Date commission expires. 9-22-09

County which bond is filed St Louis

Commission number # 05241430f

Manufacture/vendor #     

Date 5-4-06

  
\_\_\_\_\_

Place of Execution, Placentia Ca.  
Fidelity National Title. Insurance.

**ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange } SS.

On April 11, 2006 before me, HELEN JIKE ZHAN HUTCHINS }  
(DATE) (NOTARY) notary public

personally appeared Lynne Luciani SIGNER(S)

personally known to me - OR-  proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

*[Handwritten Signature]*  
NOTARY'S SIGNATURE

**OPTIONAL INFORMATION**

The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgment to an unauthorized document.

**CAPACITY CLAIMED BY SIGNER (PRINCIPAL)**

- INDIVIDUAL
- CORPORATE OFFICER

- TITLE(S) \_\_\_\_\_
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**DESCRIPTION OF ATTACHED DOCUMENT**

Grant Deed  
TITLE OR TYPE OF DOCUMENT

1  
NUMBER OF PAGES

\_\_\_\_\_  
DATE OF DOCUMENT

\_\_\_\_\_  
OTHER

SIGNER IS REPRESENTING:  
NAME OF PERSON(S) OR ENTITY(IES)  
Lynne Luciani, Successor Trustee

RIGHT THUMBPRINT  
OF  
SIGNER



Place Government Code 27361-7

I certify under penalty of perjury that the notary  
Acknowledgement on the document to which this  
Statement reads as follows:

Name of notary. Helen Jike Zhan Hutchins


Date commission expires. November 9, 2007

County which bond is filed Orange County

Commission number # 1450214

Manufacture/vendor # VS 11

Date May 4, 2006



Place of Execution, Placentia Ca.  
Fidelity National Title Insurance.



EXHIBIT A  
APN 090-174-10

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 166 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 ROBERT E. SCHRANDT AND WIFE BY DEED RECORDED MARCH 25TH, 1949 IN BOOK 1820, PAGE 207, 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 SCHRANDT; THENCE SOUTH ALONG THE SOUTHERLY EXTENSION OF THE WESTERLY LINE OF SAID LOT SEVEN, 75.03 FEET TO A POINT IN A LINE WHICH IS PARALLEL TO AND DISTANT 125 FEET NORTHERLY OF THE SOUTH LINE OF SAID BLOCK SIX; THENCE EASTERLY ALONG SAID PARALLEL LINE 145.67 FEET TO THE EAST LINE OF SAID BLOCK SIX; THENCE NORTH 75.03 FEET TO THE POINT OF BEGINNING.

Assessor's Parcel No: 090-174-10

PRELIMINARY CHANGE OF OWNERSHIP REPORT

FOR RECORDER'S USE ONLY

[To be completed by transferee (buyer) prior to transfer of the subject property in accordance with section 480.3 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: Myrna Mercer and Lynne Luciani, Successor Trustees

BUYER/TRANSFeree: Garden Grove Agency for Community Development, a public body corporate and politic

ASSESSOR'S PARCEL NUMBER(S): 090-174-10

PROPERTY ADDRESS OR LOCATION: 12941 9th Street, Garden Grove, CA

MAIL TAX INFORMATION TO: Name: Real Property Office

Address: 11222 Acacia Parkway, Garden Grove, CA 92840

Phone Number (8 a.m. -5 p.m.)

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 Orange County Assessor. For further information on your supplemental roll obligation, please call the Orange County Assessor at (714)834-2727.

PART I: TRANSFER INFORMATION (please answer all questions)

- YES NO
(x) (x) A. Is this transfer solely between husband and wife...
(x) (x) B. Is this transaction only a correction of the name(s) of the person(s) holding title...
(x) (x) C. Is this document recorded to create, terminate, or reconvey a lender's interest...
(x) (x) D. Is this transaction recorded only as a requirement for financing purposes...
(x) (x) E. Is this document recorded to substitute a trustee under a deed of trust...
(x) (x) F. Did this transfer result in the creation of a joint tenancy...
(x) (x) G. Does this transfer return property to the person who created the joint tenancy...
(x) (x) H. Is this transfer of property:
1. to a trust for the benefit of the grantor, or grantor's spouse?
2. to a trust revocable by the transferor?
3. to a trust from which the property reverts to the grantor within 12 years?
(x) (x) I. If this property is subject to a lease, is the remaining lease term 35 years or more including written options?
(x) (x) \*J. Is this a transfer between [ ] parent(s) to child(ren) [ ] or from grandparent(s) to grandchild(ren)?
(x) (x) \*K. Is this transaction to replace a principal residence by a person 55 years of age or older? Within the same county? [ ] Yes [ ] No
(x) (x) \*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? [ ] Yes [ ] No
(x) (x) M. Did this transfer result from the death of a domestic partner 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 will 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:

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).
(x) Purchase ( ) Foreclosure ( ) Gift ( ) Trade or Exchange ( ) Merger, Stock or Partnership Acquisition
( ) Contract of Sale - Date of Contract
( ) Inheritance - Date of Death ( ) Other: Please explain:
( ) Creation of a Lease; ( ) Assignment of a Lease; ( ) Termination of a Lease ( ) Sale/Leaseback
( ) 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 (x) No
If yes, indicate the percentage transferred %

Please answer, to the best of your knowledge 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 \$785,900.00

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 of 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 Amount \$ \_\_\_\_\_  
 Type \_\_\_\_\_ @ \_\_\_\_\_ % interest for \_\_\_\_\_ years. Pymts./Mo. = \$ \_\_\_\_\_ (Prin & Int only)  
 Bank of 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)

G. TOTAL ITEMS A THROUGH E \$785,900.00

G. PROPERTY PURCHASE:  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: 2)  Co-op/Own-your-own  Manufactured home  
 Commercial/Industrial  Condominium  Unimproved lot  
 Other (Description): \_\_\_\_\_

B. IS THIS PROPERTY INTENDED AS YOUR PRINCIPAL RESIDENCE?  Yes  No  
 If yes, enter date of occupancy \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ or intended occupancy \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
(month) (day) (year) (month) (day) (year)

C. IS PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE (i.e., furniture, farm equipment, machinery, etc.)  
 (other than a manufactured home subject to local property tax)?  Yes  No  
 If yes, enter the value of the personal property included in the purchase price \$ \_\_\_\_\_ (Attach itemized list of personal property.)

D. IS THE 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 THE 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 <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other <u>Public Agency</u> <input checked="" type="checkbox"/>	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 <u>MATTHEW FERTAL</u>	TITLE	<u>DIRECTOR</u>
SIGNATURE OF NEW OWNER/CORPORATE OFFICER <u>Matthew Fertal</u>	DATE	<u>4/11/06</u>
NAME OF ENTITY (typed or printed) <u>GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT</u>	FEDERAL EMPLOYER ID NUMBER	
ADDRESS (typed or printed) <u>11222 ACACIA PKWY. GARDEN GROVE, CA 92840</u>	E-MAIL ADDRESS (optional)	DATE <u>4/11/06</u>

(NOTE: The Assessor may contact you for additional 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).

RECORDING REQUESTED BY:

FIDELITY NATIONAL TITLE

WHEN RECORDED MAIL TO:

City of Garden Grove  
11222 Acacia Pkwy  
Garden Grove, Ca 92842  
490 33605

(SPACE ABOVE THIS LINE FOR RECORDERS USE)

Certificate of Acceptance  
(TYPE OF DOCUMENT)



CITY OF GARDEN GROVE
GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

Janet Nguyen
Chair
Mark Rosen
Vice Chair
William J. Dalton
Member
Harry Krebs
Member
Mark Leyes
Member

CERTIFICATE OF ACCEPTANCE

This is to certify the interest in real property conveyed by the Grant Deed dated April 10, 2006, from the Natland Family Trust, is hereby accepted by the undersigned officer on behalf of the Garden Grove Agency for Community Development acting by and through its Agency Members, pursuant to authority granted in the Redevelopment Plan, adopted June 26, 1973, and the Grantee consents to the recordation hereof by its duly authorized officer.

Dated: May 8, 2006

GARDEN GROVE AGENCY FOR
COMMUNITY DEVELOPMENT

By: Matthew Fertal
Matthew Fertal

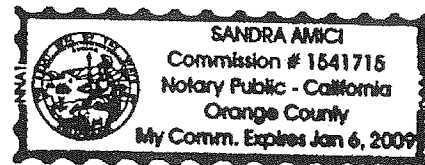
Its: Director

STATE OF CALIFORNIA
COUNTY OF ORANGE
CITY OF GARDEN GROVE

On this 8th day of May, 2006, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Matthew Fertal known to me to be the Director of the Garden Grove Agency for Community Development, and known to me to be the person who executed the within instrument.

WITNESS my hand and Official Seal

Sandra Amici
Signature Sandra Amici



(NOTARY SEAL)