# AGREEMENT FOR PURCHASE AND SALE OF PROPERTY EASEMENT AND ESCROW INSTRUCTIONS AND TEMPORARY CONSTRUCTION EASEMENT RENT

# Friant-Kern Raw Water Pipeline Project WC00038

ROBERT D. JOHNSON AND SUZANNE JOHNSON, TRUSTEES OF THE JOHNSON FAMILY TRUST DATED NOVEMBER 17, 1999 hereinafter called the "Seller," without regard to number or gender, hereby agrees to sell to the CITY OF FRESNO, a municipal corporation, hereinafter called the "City," the hereinafter described property easement on the following terms and conditions:

1. The real property which is the subject of this Agreement is situated in the County of Fresno, State of California and may hereinafter for convenience be referred to as the "Subject Property," being a permanent property easement and Temporary Construction Easement (TCE) within of Assessor's Parcel Number 580-040-21S (formerly a portion of 580-040-03S), and which is more particularly described as:

Exhibits "A" and "B relative to a permanent property easement and Exhibits "C" and "D" for TCE attached hereto, and by reference made a part of hereof.

- 2. The City shall pay to Seller the total purchase price of Sixty-One Thousand Four Hundred dollars (\$61,400) ("Purchase Price") as just compensation for the permanent easement together with Five Thousand One Hundred dollars (\$5,100)/year, or any portion thereof, as rent for a temporary construction easement ("TCE Rent"), subject to monthly proration as needed, for the duration of the City's use of the Temporary Construction Easement. The first year of TCE Rent will be paid in advance and received by Seller within thirty (30) days of the City's issuance of the Notice to Proceed. If more than one year of TCE rental is required, the remainder of the TCE Rent due to Seller will be paid upon completion of the project, prorated, per the conditions set forth above. The terms of the Temporary Construction Easement shall not merge with the deed for the permanent property easement, and shall survive recordation of the permanent property easement.
- 3. It is understood and agreed by and between the parties hereto that the Temporary Construction Easement granted to the City in this transaction is for the purpose of allowing the City or its authorized Contractor to enter upon the remaining property of Seller, where necessary, within the temporary construction easement area, and to use equipment and materials thereon, for the purpose of constructing a new raw water pipeline. Said easement imposes upon the City the obligation to exercise such rights where required by the construction project and to leave Seller's remaining property in like condition as found, or better. The City's rental of the Temporary Construction Easement shall commence upon issuance of a Notice to Proceed to the City's contractor to start construction, and shall terminate when the City provides written notice to Seller that the use of the Temporary Construction Easement is no longer necessary.

- 4. Seller acknowledges that the City has the power to acquire the Subject Property for public purposes by eminent domain. If title does not pass to the City within the time provided by this Agreement, the City may begin eminent domain proceedings to acquire such possession or title. The parties agree and stipulate that the net sum payable to Seller hereunder shall be conclusively deemed to be the total just compensation payable in such proceedings, and this Agreement may be filed with the court as stipulation upon which judgment may be entered in the eminent domain proceeding as to the just compensation to be paid to Seller. Seller waives all other defenses in said proceeding.
- 5. It is agreed and confirmed by the City and the Seller that notwithstanding other provisions in this Agreement, the right of possession and use of the permanent property easement by the City, including the right to remove and dispose of improvements within the permanent property easement, shall commence upon the City's issuance of the Notice to Proceed. The Purchase Price and TCE Rent, includes, but is not limited to, full payment for such possession and use, including damages, if any, from said date. The terms for payment of TCE Rent are set forth in Paragraph 2, above.
- 6. Seller represents and warrants that it has the authority to make the offer herein made, and that it holds fee title to said real property and can convey the Subject Property free and clear of all liens, encumbrances, and restrictions of record except for the title exceptions noted in 7.b below.
- 7. The sale shall be completed through an escrow to be opened at Chicago Title Company, 2540 W. Shaw Lane, Fresno, California, 93711 (Escrow Officer: Suzanne C. Ford). Said escrow shall be opened upon the following terms and conditions, and the Seller and City by their signature to this Agreement make this paragraph their escrow instructions:
  - a. The City shall deposit the sums specified in Paragraphs 2 of this Agreement and the closing costs in escrow upon receipt of a demand and statement from said title company therefor.
  - b. Payment of said sums, less Seller's cost to clear title, if any, may be made to Seller only when escrow holder possesses and is in a position to deliver to the City a fully executed and acknowledged and recorded grant deed to the subject property, and when said escrow holder stands ready to issue to the City a standard title insurance policy guaranteeing a title to said property in the City free and clear of all liens, encumbrances, and restrictions of record, except for Exception Items 1, 2, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 21 contained in the Preliminary Title Report No. 13-44115270-F-GG dated June 2, 2014, from Chicago Title Company. The City reserves the right to approve an updated title report prior to close of escrow.
  - c. It is understood that Seller shall be responsible for the payment of all taxes, penalties, redemptions, and costs allocable to the Subject Property. It is further Seller's responsibility to apply to the County Tax Collector for any refund or decrease in taxes which may be granted.
  - d. The escrow fee, cost of policy of title insurance, recording fees (if any), and all other closing costs shall be paid by the City. Seller will pay any cost to convey the title to the Subject Property in the condition described in 7.b above.

- e. Disbursements of the purchase price to be in the amounts, at the times, and in all respects in accordance with the terms and conditions and subject to the limitations of this Agreement.
- f. Consent and Subordination from all holders of a Deed of Trust to the property shall be provided prior to close of escrow by Chicago Title Company.
- 8. City Contractor shall replace fencing disturbed in like kind in its preconstruction locations. The Contractor shall be aware that an existing well and irrigation pipeline are within the easement area and shall verify the location and protect the well and pipeline from damage. Contractor shall repair or replace any damage to the irrigation pipeline, well, or pump incurred during construction to its preconstruction condition or better.

# 9. Miscellaneous Provisions:

- a. <u>Waiver</u>. The waiver by either party of a breach by the other of any provision of this Agreement shall not constitute waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement. No provision of this Agreement may be waived unless in writing and signed by all parties to this Agreement. Waiver of any one provision herein shall not be deemed to be a waiver of any other provision herein.
- b. <u>Governing Law and Venue</u>. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Venue for purposes of the filing of any action regarding the enforcement or interpretation of this Agreement any rights and duties hereunder shall be in Fresno, California.
- c. <u>Headings</u>. The section headings in this Agreement are for convenience and reference only and shall not be construed or held in any way to explain, modify or add to the interpretation or meaning of the provisions of this Agreement.
- d. <u>Severability</u>. The provisions of this Agreement are severable. The invalidity, or unenforceability or any one provision in this Agreement shall not affect the other provisions.
- e. <u>Interpretation</u>. The parties acknowledge that this Agreement in its final form is the result of the combined efforts of the parties and that, should any provision of this Agreement be found to be ambiguous in any way, such ambiguity shall not be resolved by construing this Agreement in favor of or against any party, but rather by construing the terms in accordance with their generally accepted meaning.
- f. <u>Attorney's Fees</u>. If either party is required to commence any proceeding or legal action to enforce or interpret any term, covenant or condition of this Agreement, the prevailing party in such proceeding or action shall be entitled to recover from the other party its reasonable attorney's fees and legal expenses.
- g. <u>Precedence of Documents</u>. In the event of any conflict between the body of this Agreement and any Exhibit or Attachment hereto, the terms and conditions of the body of this Agreement shall control and take precedence over the terms and conditions expressed within the Exhibit or Attachment.
- h. <u>Cumulative Remedies</u>. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

- i. <u>Exhibits and Attachments</u>. Each Exhibit and Attachment referenced herein is by such reference incorporated into and made a part of this Agreement for all purposes.
- j. <u>Extent of Agreement</u>. Each party acknowledges that they have read and fully understand the contents of this Agreement. This Agreement represents the entire and integrated agreement between the parties with respect to the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be modified only by written instrument duly authorized and executed by both the City and the Seller.
- 10. Time is of the essence of each and every term, condition and covenant hereof.
- 11. Environmental Indemnity. The Seller has not stored, discharged or abandoned any hazardous substances, as such term is defined by federal or state law, on, in, or under the easement area, and to the best of the Seller's knowledge, and there are no hazardous substances on, in or under said easement area. Seller shall indemnify, hold harmless, and defend the Buyer, its officers, agents, employees, and volunteers from any liability, loss, fines, penalties, forfeitures, claims, expenses, and costs, whether incurred by the Seller, Buyer, or any other third party, arising directly or indirectly from the release, presence or disposal of any hazardous substances or materials (as now or hereafter defined in any law, regulation, or rule) in, on, or about the Property on or before Closing. This indemnity shall include, without limitation, any claims under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (CERCLA), or any other federal, state or local law whether statutory or common law, ordinance, or regulation. Costs or losses covered will include, without limitation, consultants, engineering, investigator fees, clean up or disposal costs and attorneys' fees, and damages. Upon written notice from the Buyer, the Seller, at Seller's sole cost and expense, shall immediately assume the defense of any claims, suit or action brought against the City by any public body, individual, partnership, corporation or other legal entity, relating to any matter covered by this paragraph. Seller's obligations under this indemnity shall survive the close of escrow and the recording of the grant deed.
- 12. It is understood and agreed that as a condition precedent hereto, this Agreement shall have no force and effect until approved by the Council for the City of Fresno. This Agreement is to remain open for one hundred and twenty (120 days) from the date hereof, and that upon its duly authorized execution within said time by the City, this Agreement shall become a contract for the purchase and sale of Subject Property binding upon Seller and City, their heirs, executors, administrators, successors in interest, and assigns.

REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.
SIGNATURES APPEAR ON NEXT PAGE.

# Signature Page

IN WITNESS WHEREOF the Seller and Buyer have signed this Agreement on the dates and in the year set forth below.

RECOMMENDED FOR APPROVAL	SELLER:	
Supervising Engineering Technician City of Fresno-DPU-Water Division	Robert D. Johnson, Trustee of the Johnson Family Trust Dated November 17, 1999	
Date 3/4/15	Date 3-18-15	
BUYER:  CITY OF FRESNO: a municipal corporation  BY  Thomas C. Esqueda, Director City of Fresno – DPU – Water Division	Suzanne Johnson, Trustee of the Johnson Family Trust Dated November 17, 1999  Date 2/18/15	
Date	Address of Seller	
Address of City  City of Fresno Water Division 1910 E. University Avenue Fresno, CA 93703-2927	Robert & Suzanne Johnson, Trustees 11493 Auberry Road Clovis, CA 93613	
ATTEST: Yvonne Spence City Clerk  BY Deputy	APPROVED AS TO FORM: Douglas T. Sloan City Attorney BY Deputy 2.35.15	
Attachments:		
Exhibit A: Legal Description – Permanent Easement Exhibit B: Permanent Easement Depiction Exhibit C: Legal Description – Temporary Construction Easement Exhibit D: Temporary Construction Easement Depiction Exhibit E: Preliminary Title Report		

#### EXHIBIT "A"

APN: 580-040-215 (Portion)

Pipeline Easement

All of that portion of the parcel of land described in that Quitclaim Deed recorded May 19, 2014 as Document No. 2014-0056018, Official Records of Fresno County, situated in the north half of Section 7, Township 12 South, Range 21 East, Mount Diablo Base and Meridian, situated in the County of Fresno, State of California, according to the Official United States Government Township Plat thereof, described as follows:

Beginning at the southwest corner of the northeast quarter of said Section 7; thence

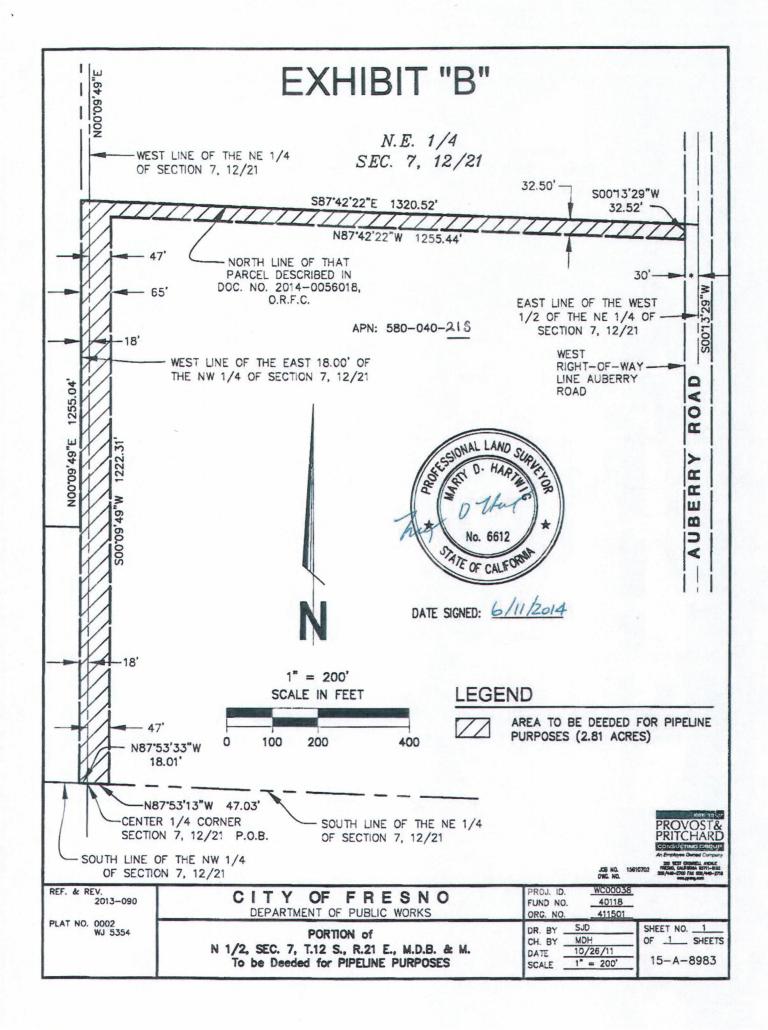
- 1) North 87° 53' 33" West, along the south line of the northwest quarter of said Section 7, a distance of 18.01 feet; thence
- 2) North 00° 09' 49" East, along the west line of the east 18.00 feet of the northwest quarter of said Section 7, a distance of 1255.04 feet to the northwesterly corner of said parcel of land described in Document No. 2014-0056018, said northwesterly corner bears South 00° 09' 49" West, a distance of 1378.97 feet from the northwest corner of the east 18.00 feet of said northwest quarter; thence
- 3) South 87° 42' 22" East, along the north line of said parcel of land, a distance of 1320.52 feet to the west right-of-way line of that portion of Auberry Road previously dedicated for public road purposes by that deed recorded April 8, 1889 in Book 92 of Deeds at Page 433, Official Records of Fresno County; thence
- 4) South 00° 13' 29" West, along said west right-of-way line, parallel with and 30.00 feet west of, measured at right angles, the east line of the west half of the northeast quarter of said Section 7, a distance of 32.52 feet; thence leaving said west right-of-way line
- 5) North 87° 42' 22" West, parallel with and 32.50 feet south of, measured at right angles, the north line of said parcel of land, a distance of 1255.44 feet to a point that is 47.00 feet east of, measured at right angles, the west line of said northeast quarter; thence
- 6) South 00° 09' 49" West, parallel with and 47.00 feet east of, measured at right angles, said west line, a distance of 1222.31 feet to the south line of said northeast quarter; thence
- 7) North 87° 53' 13" West, along the last said south line, a distance of 47.03 feet to the Point of Beginning.

Containing an area of 2.81 acres, more or less.

END OF DESCRIPTION

Signed 6/11/20 14

2013-090 15-A-8983 WJ NO. 5354



# EXHIBIT "C" Page 1 of 1

APN: 580-040-215 (Portion) Construction Easement

All of those portions of the parcel of land described in that Quitclaim Deed recorded May 19, 2014 as Document No. 2014-0056018, Official Records of Fresno County, situated in the north half of Section 7, Township 12 South, Range 21 East, Mount Diablo Base and Meridian, situated in the County of Fresno, State of California, according to the Official United States Government Township Plat thereof, described as follows:

# Parcel 1

Commencing at the southwest corner of the northeast quarter of said Section 7; thence South 87° 53' 13" East, along the south line of said northeast quarter, a distance of 47.03 feet to the True Point of Beginning; thence

- North 00° 09' 49" East, parallel with and 47.00 feet east of, measured at right angles, the
  west line of said northeast quarter, a distance of 1222.31 feet to a point 32.50 feet south of,
  measured at right angles, the north line of said parcel of land described in Document No.
  2014-0056018; thence
- 2) South 87° 42' 22" East, parallel with and 32.50 feet south of, measured at right angles, the north line of said parcel of land, a distance of 1255.44 feet to the west right-of-way line of that portion of Auberry Road previously dedicated for public road purposes by that deed recorded April 8, 1889 in Book 92 of Deeds at Page 433, Official Records of Fresno County; thence
- 3) South 00° 13' 29" West, along said west right-of-way line, parallel with and 30.00 feet west of, measured at right angles, the east line of the west half of the northeast quarter of said Section 7, a distance of 25.02 feet; thence
- 4) North 87° 42' 22" West, parallel with and 57.50 feet south of, measured at right angles, the north line of said parcel of land, a distance of 1230.39 feet to a point that is 72.00 feet east of, measured at right angles, the west line of said northeast quarter; thence
- 5) South 00° 09' 49" West, parallel with and 72.00 feet east of, measured at right angles, said west line, a distance of 1197.21 feet to the south line of said northeast quarter; thence
- 6) North 87° 53' 13" West, along the south line of said northeast quarter, a distance of 25.01 feet to the True Point Beginning.

Containing an area of 1.41 acres, more or less.

2013-090T 15-A-8983T WJ NO. 5354

# EXHIBIT "C" Page 2 of 2

# Parcel 2

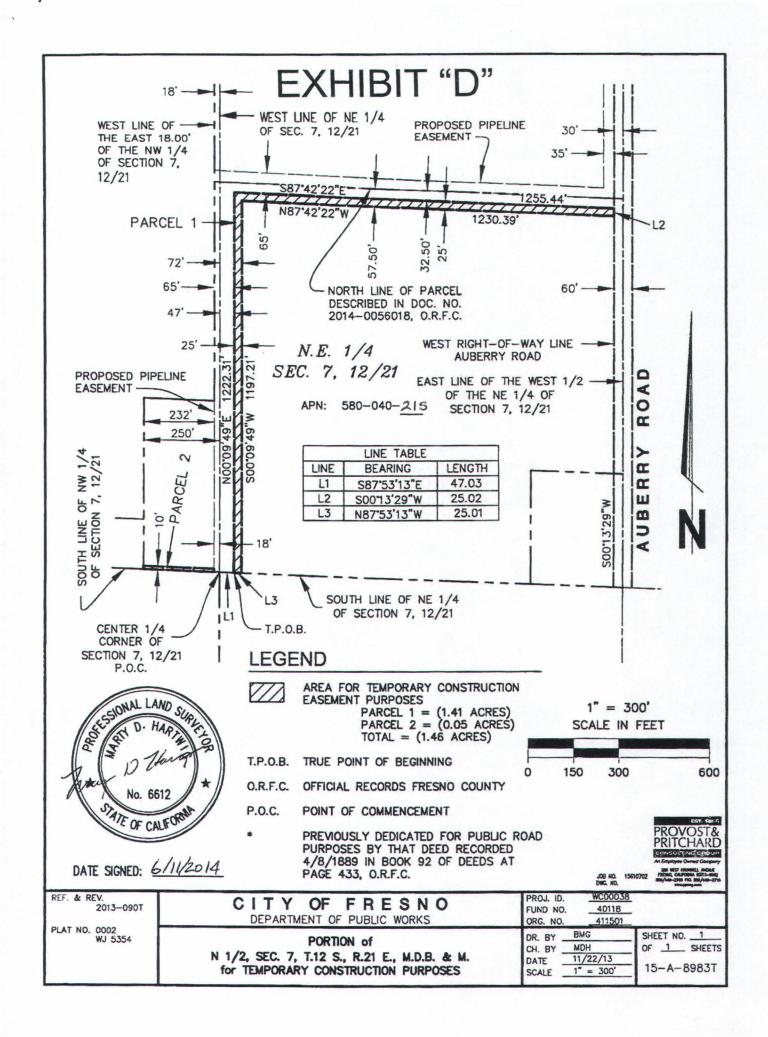
The south 10.00 feet of the west 232.00 feet of the east 250.00 feet of the northwest quarter of said Section 7.

Containing an area of 0.05 acres, more or less.

END OF DESCRIPTION



Date Signed 6/11/2014



Issued By:



CHICAGO TITLE INSURANCE COMPANY

Guarantee Number:

FWFM-TO14000369

SUBJECT TO THE LIMITATIONS CONTAINED HEREIN, THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

#### CHICAGO TITLE INSURANCE COMPANY

a corporation, herein called the Company

# **GUARANTEES**

the Assured named in Schedule A against loss not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, as of Date of Guarantee shown in Schedule A:

- 1. The title to the herein described estate or interest is vested in the vestee named in Schedule A.
- 2. Except for the matters shown in Schedule B, there are no defects, liens, encumbrances or other matters affecting title to the estate or interest in the land shown in Schedule A, which matters are not necessarily shown in the order of their priority.
- 3. a) the current interest holders claiming some right, title or interest by reason of the matters shown in Part II of Schedule B are as shown therein. The vestee named in Schedule A and parties claiming to have some right, title or interest by reason of the matters shown in Part II of Schedule B may be necessary parties defendant in an action, the nature of which is referred to in Schedule A.
  - b) the current interest holders claiming some right, title or interest by reason of the matters shown in Part I of Schedule B may also be necessary parties defendant in an action, the nature of which is referred to in Schedule A. However, no assurance is given hereby as to those current interest holders.
- 4. The return address for mailing after recording, if any, as shown on each and every document referred to in Part II of Schedule B by specific recording information, and as shown on the document(s) vesting title as shown in Schedule A are as shown in Schedule C.

THIS LITIGATION GUARANTEE IS FURNISHED SOLELY FOR THE PURPOSE OF FACILITATING THE FILING OF THE ACTION REFERRED TO IN SCHEDULE A. IT SHALL NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE.

IN WITNESS WHEREOF, CHICAGO TITLE INSURANCE COMPANY has caused this Guarantee to be signed and sealed by its duly authorized officers.

By:

Chicago Title Company 2540 W. Shaw Lane, Suite 112 Fresno, CA 93711

Countersigned By:

Authorized Officer or Agent

SEAL SEAL

Attest:

Secretary

President

Chicago Title Insurance Company

#### **ISSUING OFFICE:**

Title Officer: Laura Marquez Chicago Title Company 2540 W. Shaw Lane, Suite 112 Fresno, CA 93711

Phone: (559)492-4217 Fax: (559)488-8530

Main Phone: (559)492-4208 Email: Imarquez@fnf.com

# SCHEDULE A

LIABILITY	FEE	TITLE OFFICER
\$50,000.00	\$500.00	Laura Marquez

NAME OF ASSURED:

City of Fresno

2. DATE OF GUARANTEE: June 10, 2014 at 08:00AM

3. THIS LITIGATION GUARANTEE IS FURNISHED SOLELY FOR THE PURPOSE OF FACILITATING THE FILING OF AN ACTION TO:

**Eminent Domain** 

4. THE ESTATE OR INTEREST IN THE LAND WHICH IS COVERED BY THIS GUARANTEE IS:

A Fee, as to Parels 1 and 2 An Easement, as to Parcel 3

5. TITLE TO THE ESTATE OR INTEREST IN THE LAND IS VESTED IN:

Mary Lynn Haungs, as Trustee of the Mary Lynn Haungs Living Trust dated August 17, 1989, as to Parcel 1

and Robert D. Johnson and Suzanne Johnson, Trustees of the Johnson Family Trust dated November 17, 1999, as to Parcels 2 & 3

6. THE LAND REFERRED TO IN THIS GUARANTEE IS DESCRIBED AS FOLLOWS:

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

#### **END OF SCHEDULE A**

# **EXHIBIT "A"**

**Legal Description** 

For APN/Parcel ID(s): 580-040-03s

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF FRESNO, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

# PARCEL 1:

Parcel 1 of Parcel Map Waiver No. 12-27, per Certificate recorded 03/28/14. as Document No. 2014-0035322, Official Records, described as follows: The West half of the Northeast quarter of Section 7, Township 12 South, Range 21 East, Mount Diablo Base and Meridian, according to the Official Plat thereof. EXCEPTING THEREFROM the Northerly 299 feet of the Easterly 510 feet, and the South 365 feet of the East 304 feet thereof;

TOGETHER WITH the East 18 feet of the Northwest quarter of said Section 7, EXCEPTING THEREFROM the Southerly 550 feet thereof;

ALSO TOGETHER WITH the East 250 feet of the South 550 feet of the Northwest quarter of said Section 7;

EXCEPTING THEREFROM any portion of said property lying southerly of the following described line:

Beginning at a point on the East line of the West half of the Northeast quarter of said Section 7, said point bears South 00° 13' 29" West a distance of 1374.89 feet from the Northeast corner of said West half; thence

North 87° 42' 22" West a distance of 1350.54 feet to a point on the West line of the East 18 feet of the Northwest quarter of said Section 7, said point bears South 00° 09' 49" West a distance of 1378.97 feet from the Northwest corner of the East 18 feet of said Northwest quarter;

ALSO EXCEPTING THEREFROM all oil, gas, and other hydrocarbon substances and minerals of any kind or character in, on, or thereunder said land, together with all easements and rights necessary or convenient for the production, storage, and transportation thereof and the exploration and testing of said real property, and also the right to drill for produce and use water from said real property in connection with drilling or mining operation thereon, as reserved in the Deed from E.A. Barnett and Edna F. Barnett, husband and wife to Fred Biglione and Kathryne Biglione, husband and wife as Joint Tenants, dated February 4, 1944 filed for record February 14, 1944 as Instrument No. 6043, in Book 2159, Page 115 of Official Records.

# PARCEL 2:

Parcel 2 of Parcel Map Waiver no. 12-27, per Certificate recorded 03/28/14 as Document No. 2014-0035322, Official Records, described as follows: The West half of the Northeast quarter of said Section 7,Township 12 South, Range 21 East, Mount Diablo Base and Meridian, according to the Official Plat thereof. EXCEPTING THEREFROM the Northerly 299 feet of the Easterly 510 feet, and the South 365 feet of the East 304 feet thereof.

TOGETHER WITH the East 18 feet of the Northwest quarter of said Section 7, EXCEPTING THEREFROM the Southerly 550 feet thereof;

ALSO TOGETHER WITH the East 250 feet of the South 550 feet of the Northwest quarter of said Section 7;

EXCEPTING THEREFROM any portion of said property lying Northerly of the following described line:

Beginning at a point on the East line of the West half of the Northeast quarter of said Section 7, said point bears South 00° 13' 29" West, a distance of 1374.89 feet from the Northeast corner of said West half; thence

North 87° 42' 22" West a distance of 1350.54 feet to a point on the West line of the East 18 feet of the Northwest quarter of said Section , said point bears South 00° 09' 49" West a distance of 1378.97 feet from the Northwest corner of the East

# **EXHIBIT "A"**

**Legal Description** 

18 feet of said Northwest quarter;

EXCEPTING THEREFROM all oil, gas, and other hydrocarbon substances and minerals of any kind or character in, on, or thereunder said land, together with all easements and rights necessary or convenient for the production, storage, and transportation thereof and the exploration and testing of said real property, and also the right to drill for produce and use water from said real property in connection with drilling or mining operation thereon, as reserved in the Deed from E.A. Barnett and Edna F. Barnett, husband and wife to Fred Biglione and Kathryne Biglione, husband and wife as Joint Tenants, dated February 4, 1944 filed for record February 14, 1944 as Instrument No. 6043, in Book 2159, Page 115 of Official Records.

#### PARCEL 3:

A 15-foot wide non-exlcusive easement for a private water line across the following described property:

All that real property situated in the North half of Section 7, Township 12 South, Range 21 East, Mount Diablo Base and Meridian, in the unincorporated area of the County of Fresno, State of California, more particularly described as follows:

The West 15.00 feet of the East 45.00 feet of the West half of the Northeast quarter of said Section 7;

EXCEPTING THEREFROM the Northerly 299 feet thereof;

ALSO EXCEPTING THEREFROM any portion of said property lying southerly of the following described line:

Beginning at a point on the East line of the West half of the Northeast quarter of said Section 7, said point bears South 00° 13' 29" West a distance of 1374.89 feet from the Northeast corner of said West half; thence

North 87° 42' 22" West a distance of 1350.54 feet to a point on the West line of the East 18 feet of the Northwest quarter of said Section 7, said point bears South 00° 09' 49" West a distance of 1378.97 feet from the Northwest corner of the East 18 feet of said Northwest quarter.

#### PART I

Defects, liens, encumbrances or other matters affecting title:

1. Reservations contained in the Patent

From:

The United States of America

To:

James Shorten

Recording Date: April 10, 1876

Recording No.:

in Book I, Page 44, of Patents

Which among other things recites as follows:

Subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of the courts, and the reservation from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States.

2. Reservations contained in the Patent

From:

The United States of America

To:

Thomas Sloan

Recording Date: April 10, 1876

Recording No.:

in Book I, Page 45, of Patents

Which among other things recites as follows:

Subject to any vested and accrued water rights for mining, agricultural, manufacturing, or other purposes and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of the courts, and the reservation from the lands hereby granted, a right of way thereon for ditches or canals constructed by the authority of the United States.

- 3. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2014-2015.
- 4. Property taxes, including any personal property taxes and any assessments collected with taxes are as follows:

Code Area:

076-019

Tax Identification No.: 580-040-03

Fiscal Year:

2013-2014

1st Installment:

\$2,336.22 Paid

2nd Installment: Exemption:

\$2,336,22 Paid

Land:

\$0.00

Improvements:

\$364,801.00 \$23,777.00

Personal Property:

\$0.00

Prior to close of escrow, please contact the Tax Collector's Office to confirm all amounts owing, including current fiscal year taxes, supplemental taxes, escaped assessments and any delinguencies.

5. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring prior to Date of Policy.

(continued)

6. The herein described property lies within the boundaries of the Fresno Metropolitan Flood Control District and may be subject to assessment for drainage fees and/or requirements to construct planned local drainage facilities

Disclosed by:

FMFCD Resolution No. 1816

Recording Date:

July 31, 1995

Recording No.:

95-092128, of Official Records

No assessments have been levied at this time.

- 7. Taxes and assessments levied by the Garfield Water District.
- 8. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

the County of Fresno

Purpose:

Right of way for a public road

Recording Date:

August 4, 1888

Recording No.:

in Book 78, Page 261, of Deeds

Affects:

A strip of land 30 feet wide along the East line of the West half of the East half of said Section

7 as hereinabove described

and recorded: April 8, 1889, in Book 92, Page 433, of Deeds

9. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to:

San Joaquin Valley Railroad Company

Purpose:

Railroad Purposes

Recording Date: Recording No.:

October 2, 1891 in Book Q, Page 151, of Covenants

Affects:

As set forth in said document

Also as awarded to said Company by Decree of the Superior Court of Fresno County, California, on September 26, 1893, in Case No. 4982. A copy of said decree being recorded in Book 170, Page 39 of Deeds.

The exact location and extent of said easement is not disclosed of record.

10. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by:

E.A. Barnett and Edna F. Barnett, husband and wife

Purpose:

All easements and rights necessary or convenient for the production, storage, and

transportation thereof, and the exploration and testing of the said real property, and to drill for, produce and use water from the said real property in connection with drilling or mining operation thereon

Recording Date:

February 4, 1944

Recording No.:

6043, in Book 2159, Page 115, of Official Records

Affects:

The herein described land and other land

11. Any rights, title or interest in favor of Garfield Telephone Company and Garfield Water District, as disclosed by that certain Consent for Joint Use of Right of Way recorded October 11, 1966 in Book 5366 of Official Records at page 298, instrument No. 73212, Fresno County Records. Also matters as contained in the map attached to and made a part of the above referenced instrument. Said easement appears to follow along the easterly line of said parcel 1 as hereinabove described.

(continued)

12. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by:

Fred Biglione, Kathryne Biglione, Claude Biglione, and Azalea Biglione

Purpose:

An easement for a pipeline

Recording Date: Recording No.:

August 3, 1965 52333, in Book 5200, Page 379, of Official Records

Affects:

A portion of the Easterly 12 feet of the Northwest quarter of said Section 7 as hereinabove

described

13. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters shown on

Map:

Record of Survey

Recording Date:

May 19, 1968

Recording No.:

in Book 24, Page 59, of Record of Surveys

14. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters shown on

Map:

Record of Survey

Recording Date:

July 19, 1974

Recording No.:

in Book 26, Page 87, of Record of Surveys

15. Matters contained in that certain document

Entitled:

CERTIFICATE OF WAIVER OF PARCEL MAP NO. 12-27

Executed by:

Robert D. Johnson and Suzanne Johnson, Trustees of the Johnson Family Trust dated November 17, 1999, and Mary Lynn Haungs, as Trustee of the Mary Lynn Haungs Living Trust dated August 17,

1989, and the Department of Public Works and Planning

Recording Date:

March 28, 2014

Recording No.:

2014-0035322, of Official Records

Reference is hereby made to said document for full particulars.

16. Easement(s) for the purpose(s) shown below and rights incidental thereto as reserved in a document;

Reserved by:

Robert D. Johnson and Suzanne Johnson, Trustees of the Johnson Family Trust dated

November 17, 1999

Purpose:

A non-exclusive easement for a private water pipeline, including rights of ingress and egress

for the purpose of performing maintenance and/or replacing said pipeline in the future

Recording Date:

May 19, 2014

Recording No.:

2014-0056019, of Official Records

Affects:

The West 15.00 feet of the East 45.00 feet of the West half of the Northeast quarter of said

Section 7, excepting therefrom the Northerly 299 feet thereof, lying within Parcel 1

17. 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 the Title Department immediately for further review prior to closing.

(continued)

18. The community interest of the spouse of the vestee named below.

Vestee:

Mary Lynn Haungs

The Company will require that the spouse of the vestee shown above join in any conveyance or encumbrance before such transaction will be insured.

19. In order to complete this report, the Company requires a Statement of Information to be completed by the following party(ies),

Party(ies): Robert D. Johnson and Suzanne Johnson

The Company reserves the right to add additional items or make further requirements after review of the requested Statement of Information.

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.

- 20. Any invalidity or defect in the title of the vestees in the event that the trust referred to herein is invalid or fails to grant sufficient powers to the trustee(s) or in the event there is a lack of compliance with the terms and provisions of the trust instrument. 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 add additional items or make further requirements after review of the requested documentation.
- 21. Any right, interest or claim that may exist, arise or be asserted against the Title under or pursuant to the Perishable Agricultural Commodities Act of 1930, as amended, 7 USC 499a et seq., the Packers and Stockyard Act of 1921, as amended, 7 USC 181 et seq., or any similar state laws.

**END OF SCHEDULE B - PART I** 

**PART II** 

NONE

**END OF SCHEDULE B - PART II** 

# **SCHEDULE C**

# **ADDRESSES**

Vested Owners:

Mary Lynn Haungs, Trustee The Mary Lynn Haungs Living Trust 11985 Auberry Rd Clovis, CA 93619

Robert D. Johnson, Trustee Suzanne Johnson, Trustee The Johnson Family Trust 11493 Auberry Rd Clovis, CA 93619

Robert D. Johnson, Trustee Suzanne Johnson, Trustee The Johnson Family Trust C/O J. H. Perkins, Esq. McCormick, Barstow, et al 5 River Park Place East Fresno, CA 92720-1501

**END OF SCHEDULE C** 

#### SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

- 1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
  - (a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.
  - (b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.
  - (c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.
- 2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
  - (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.
  - (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.
  - (c) The identity of any party shown or referred to in Schedule A.
  - (d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

#### **GUARANTEE CONDITIONS AND STIPULATIONS (09/12/08)**

#### 1. DEFINITION OF TERMS

The following terms when used in the Guarantee mean:

- (a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.
- (b) "land": the land described or referred to in Schedule (A), (C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A), (C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.
- (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.
- (e) "date": the effective date.

# 2. NOTICE OF CLAIM TO BE GIVEN BY ASSURED CLAIMANT

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

#### 3. NO DUTY TO DEFEND OR PROSECUTE

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

#### 4. COMPANY'S OPTION TO DEFEND OR PROSECUTE ACTIONS; DUTY OF ASSURED CLAIMANT TO COOPERATE Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

- (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.
- (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.
- (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.
- (d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

(continued)

#### 5. PROOF OF LOSS OR DAMAGE

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company, to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

#### 6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS: TERMINATION OF LIABILITY

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

# 7. DETERMINATION AND EXTENT OF LIABILITY

This Guarantee is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

- (a) the amount of liability stated in Schedule A or in Part 2;
- (b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon; or
- (c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance assured against by this Guarantee.

#### 8. LIMITATION OF LIABILITY

- (a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.
- (b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.
- (c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

(continued)

#### 9. REDUCTION OF LIABILITY OR TERMINATION OF LIABILITY

All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

# 10. PAYMENT OF LOSS

- (a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
- (b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

# 11. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

#### 12. ARBITRATION

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association.

Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or the breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is Two Million And No/100 Dollars (\$2,000,000) or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of Two Million And No/100 Dollars (\$2,000,000) shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

# 13. LIABILITY LIMITED TO THIS GUARANTEE; GUARANTEE ENTIRE CONTRACT

- (a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.
- (b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.
- (c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

#### 14. NOTICES, WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to the company at:

Chicago Title Insurance Company P.O. Box 45023 Jacksonville, FL 32232-5023 Attn: Claims Administration

# **END OF CONDITIONS AND STIPULATIONS**

