

RESOLUTION NO. 2002-180

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
APPROVING A SUPPLEMENTAL DRAINAGE FEE CREDIT AGREEMENT AND SALE
AND PURCHASE AGREEMENT WITH FRANK STATHOS FOR A
DRAINAGE RIGHT-OF-WAY**

WHEREAS, development in the Laguna Ridge and East Franklin Specific Plan ("Specific Plan") areas necessitate the acquisition of property for the construction of a drainage channel across Assessor Parcel Numbers 132-0030-021 and 132-0030-022; and

WHEREAS, Chapter 16.83 of the City of Elk Grove's City Code, permits the City to apply credits against supplemental drainage fees otherwise required of the builders/developers of property within a Specific Plan area, as compensation for the acquisition by the City of the drainage channel right-of-way; and

WHEREAS, the City Council desires to acquire property for a drainage channel and adjoining parkway corridor from and enter into a supplemental drainage fee credit agreement with Frank Stathos.


NOW THEREFORE, BE IT RESOLVED AND ORDERED, that the City of Elk Grove City Council approves the Sale and Purchase Agreement with Frank Stathos and Supplemental Drainage Fee Credit Agreement (credits placed on Frank Stathos' adjacent land) substantially in the form presented herewith, subject to any modifications approved by the City Attorney, and hereby authorizes the City Manager to execute the same.

PASSED AND ADOPTED by the City Council of the City of Elk Grove on this 16th day of October 2002.




RICK SOARES, MAYOR of the
CITY OF ELK GROVE

ATTEST:



PEGGY JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,
CITY ATTORNEY

AYES: Soares, Briggs, Cooper
Scherman, Leary
NOES: None
ABSTAIN: None
ABSENT: None

SEP 11 2002 11:58

CITY OF ELK GROVE

**SUPPLEMENTAL DRAINAGE FEE CREDIT AGREEMENT
LAGUNA SOUTH PUBLIC FACILITIES FEE PROGRAM**

**East Franklin Central Shed Drainage Right of Way
APN 132-0030-021, 022**

THIS AGREEMENT is made and entered into this ____ day of September 2002, by and between the **City of Elk Grove, a California municipal corporation** (the "CITY") and **Frank Stathos, an individual** (the "OWNER").

WHEREAS, the County of Sacramento (the "COUNTY"), prior to the incorporation of the CITY, approved the EAST FRANKLIN SPECIFIC PLAN (the "SPECIFIC PLAN"), the subject property of which is now within the jurisdictional boundaries of the CITY in an area generally known as Laguna South; and

WHEREAS, the SPECIFIC PLAN describes the anticipated development within the SPECIFIC PLAN area and the public facilities that will be needed to serve the development; and

WHEREAS, the CITY has adopted the LAGUNA SOUTH FACILITIES FEE PROGRAM (the "LSFFP") codified as Chapter 16.83 of the Elk Grove City Code, which authorized public facilities fees for Laguna South, including the SPECIFIC PLAN area; and

WHEREAS, the LSFFP includes a supplemental fee for the acquisition of drainage rights-of-way; and

WHEREAS, the CITY has adopted resolutions setting the specific fees pursuant to the LSFFP, including the supplemental drainage fees, which fees are to be collected prior to building permit; and

WHEREAS, said supplemental fees are to be used for acquisition of drainage rights-of-way; and

WHEREAS, Chapter 16.83 provides that the City shall expend the supplemental fee for the acquisition of drainage rights-of-way; and

WHEREAS, the CITY's LSFFP allows the CITY to provide credits to the OWNER to be applied against supplemental fees owed by the OWNER, in an amount equal to the value of the acreage granted to the CITY by OWNER; and

WHEREAS, credits allocated to OWNER for supplemental drainage fees will be applied to the OWNER in regard to OWNER's real property Assessor's Parcel Number(s) 132-0020-063 within the East Franklin Specific Plan Area; and

WHEREAS, the CITY's engineer requires the construction of MAJOR FACILITIES as shown on the improvement plans entitled "East Franklin Central Drainage Channel" (the "PLANS"); and

WHEREAS, the OWNER has agreed to provide to the CITY, in lieu of and under threat of condemnation, fee title to the drainage right of way on Sacramento County Assessor's Parcel No. 132-0030-021 and a portion of APN 132-0030-022, comprising a total of 3.3 (+/-) acres, as more particularly described in Exhibit "A," attached hereto and incorporated herein by this reference (the "LEGAL DESCRIPTION OF PARCEL"), for the purpose of construction of the drainage channel, pursuant to the East Franklin and Laguna Ridge Master Drainage Study, which DRAINAGE RIGHT-OF-WAY will serve the MAJOR FACILITIES. The agreement between the OWNER and the CITY is memorialized in that certain "Sale and Purchase Agreement" between them by the terms of which CITY agrees to acquire the land over which the drainage right-of-way will be located; and

WHEREAS, the value of the DRAINAGE RIGHT-OF-WAY has been determined by an independent MAI appraiser and agreed to by CITY; and

WHEREAS, the City Public Works Director will accept the conveyance of the DRAINAGE RIGHT-OF-WAY on behalf of the CITY.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the CITY and the OWNER agree as follows:

Section 1. The OWNER shall execute a grant deed transferring to the CITY fee title to the DRAINAGE RIGHT-OF-WAY, title to which shall be clear of any liens or encumbrances save and except only those exceptions to title evidenced by the Preliminary Title Report referred to in the "Sale and Purchase Agreement" between the CITY and OWNER.

Section 2. The CITY shall accept and record fee title to the DRAINAGE RIGHT-OF-WAY at the agreed upon and appraised value of Two Hundred Thirteen Thousand Seventy Dollars (\$213,070.00). Upon the satisfactory transfer of title, the CITY shall allocate credits in the amount of \$213,070.00 (the "Fee Credits") as set forth herein to the OWNER'S Assessor's Parcel Number 132-0020-063. Notwithstanding the allocation, the Fee Credits can be sold and assigned by OWNER to any other landowners in connection with those landowners' development of real property within and subject to the jurisdiction of the CITY.

Section 3. In the event that OWNER, or OWNER's assignee, is entitled to credits in excess of supplemental drainage fees owed to CITY for development of real property within and subject to the jurisdiction of the CITY, then OWNER, or OWNER's assignee, shall be entitled to reimbursement of the excess credits. Any reimbursement of excess credits shall be made

pursuant to a reimbursement agreement under the authority of Chapter 16.83.

Section 4. The OWNER, by execution of this Agreement, specifically agrees to assume the defense of, indemnify and hold harmless, the CITY, its officers, employees, and agents from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of or resulting from any false or materially inaccurate statement(s) made by the SELLER in regard to this agreement and to the conveyance of the DRAINAGE RIGHT-OF-WAY.

Section 5. Any notice or other communication to be given to any party pursuant to this Agreement shall be given by delivering same in writing to the parties at the addresses set forth below:

OWNER:

Frank Stathos
7700 College Town Drive
Suite 201
Sacramento, CA 95826

CITY:

City of Elk Grove Public Works
8400 Laguna Palms Way
Elk Grove, CA 95758

ATTENTION: Bob Lee, City Engineer

Such notice shall be deemed given three (3) days after deposit into the United States mail, postage prepaid, addressed to the parties at the addresses above. Nothing shall preclude the giving of personal notice.

Section 6. The term of this Agreement shall start on the day and year first above written and shall remain in effect until all the terms and conditions contained in this Agreement have been satisfied.

Section 7. Modifications or amendments to this Agreement shall be in writing and executed by all parties.

Section 8. This Agreement and all of the terms and conditions contained herein shall inure to the benefit of and bind the successors and assigns of the CITY and the OWNER.

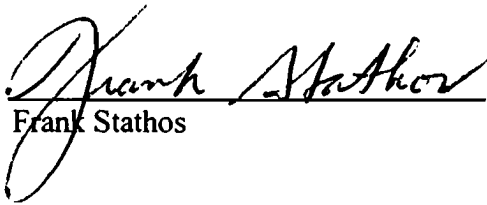
Section 9. Any provision of this Agreement found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement. This Agreement represents the entire Agreement of the parties and may not be amended except in writing, signed by each party hereto. Except as otherwise expressly provided herein, the obligations and remedies set forth in this Agreement shall not merge with transfer of title but shall remain in effect until fulfilled and shall survive Close of Escrow. This Agreement shall be governed by the laws of the State of California. Venue for any action or proceeding between the parties hereto shall be, and may be required to be transferred to, the California Superior Court in and for the County of Sacramento and/or the U.S. District Court for the Eastern District of California. In any action or proceeding to enforce this AGREEMENT, or

arising from or out of this AGREEMENT, the prevailing party shall recover its attorney's fees and experts' fees in addition to its costs of suit.

IN WITNESS THEREOF, the parties have executed this Agreement on the day and year first above written.

SELLER:

An individual

By: 
Frank Stathos

BUYER:

City of Elk Grove,
a California municipal corporation

By: _____
John Danielson
City Manager

APPROVED AS TO FORM:

By: _____
City Attorney

ATTEST:

By: _____
City Clerk

EXHIBIT "A"
PARCEL A

All that certain real property situate in the County of Sacramento, State of California, being a portion of the East One-Half of Section 8, Township 6 North, Range 5 East, M.D.M., being more particularly described as follows:

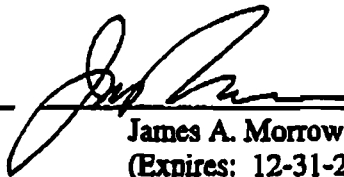
The Southerly 238.00 feet of that particular Parcel as described in Book 3976 of Official Records, at Page 875, Sacramento County Records.

SURVEYOR'S STATEMENT

I hereby state that I am a Licensed Land Surveyor of the State of California; that this Plat and Description was prepared under my supervision.

Dated: _____

9.6.2001

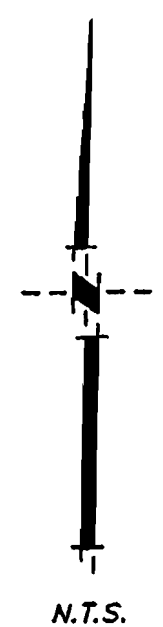
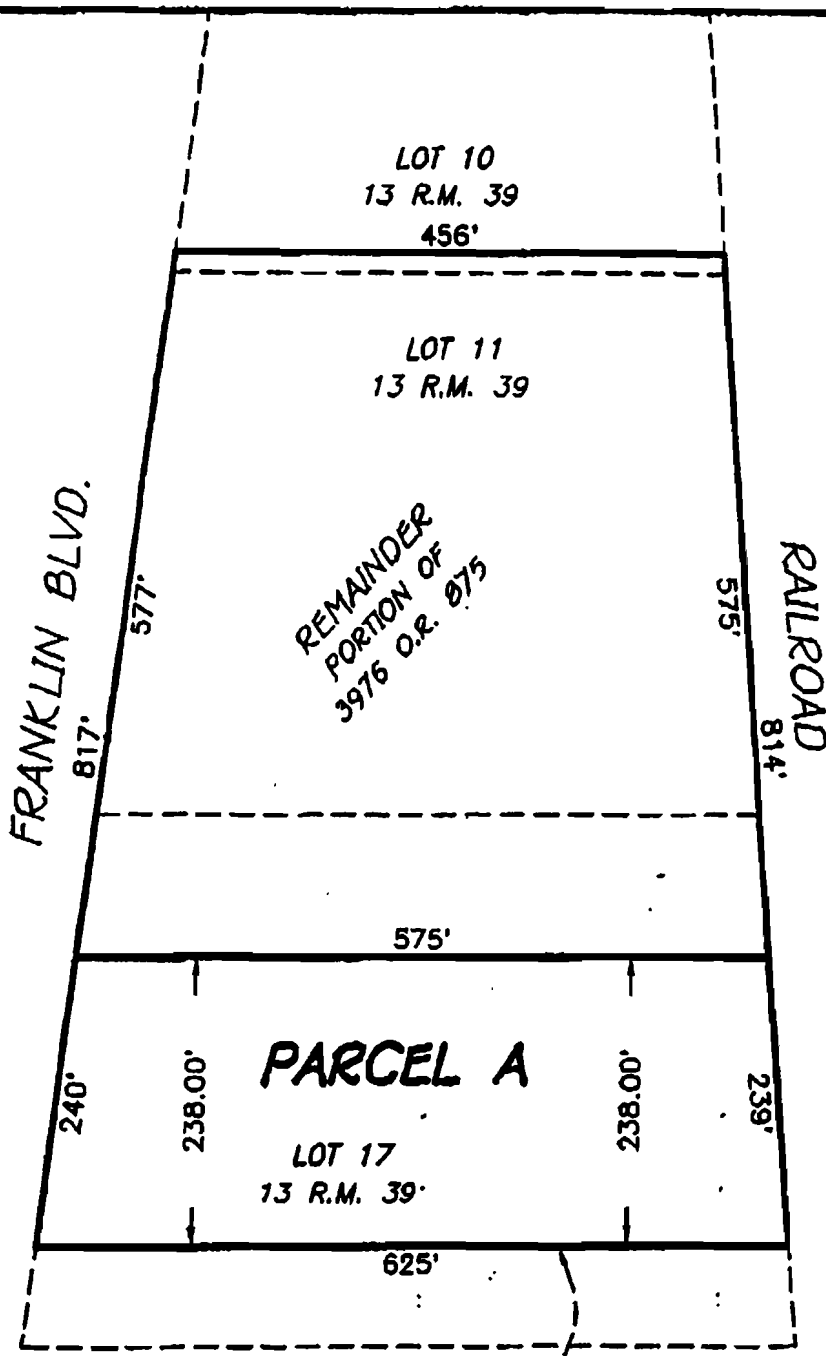


James A. Morrow, L.S. 7555
(Expires: 12-31-2003)



Prepared by the firm of
MacKay & Soms Civil Engineer, Inc.
Sacramento, California

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Page 1 of 1 Pages



SOUTHERLY BOUNDARY OF 3976 O.R. 875

EXHIBIT 'B'

Plat to Accompany Description PROPOSED PARCEL A PORTION OF 3976 O.R. 875 Sacramento County California	
MACKAY & SOMPS <small>CIVIL ENGINEERING LAND PLANNING LAND SURVEYING SACRAMENTO, CA 95815 (916) 829-6092</small>	
06/21/01	7501-00

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 6-21-2001
 There are no references in this drawing.

**SALE AND PURCHASE AGREEMENT
BETWEEN
FRANK STATHOS
AND
THE CITY OF ELK GROVE**

This Sale and Purchase Agreement (Agreement) dated for convenience as of October ____, 2002 (Agreement Date) is made by and between FRANK STATHOS, an individual (SELLER), and the CITY OF ELK GROVE, a municipal corporation (CITY), in consideration of the mutual covenants and agreements herein contained, and is subject to the conditions set forth below.

RECITALS

A. SELLER has entered into a purchase and sale agreement entitled "Vacant Land Purchase Agreement and Joint Escrow Instructions" dated July 25, 2001, as amended (the "Martinez Purchase Agreement"), with Virginia A. Martinez ("Martinez") for the purchase of approximately 3.3 acres of unimproved real property located in the City, and generally identified as (i) all of Sacramento County Assessor's Parcel No. 132-0030-021 and (ii) a portion of Sacramento County Assessor's Parcel No. 132-0030-022, as more particularly identified on Exhibit "A" annexed hereto (the "Property").

B. SELLER has paid Martinez the entire purchase price for the Property due under the Martinez Purchase Agreement.

C. As a condition to the transfer of title to the Property from Martinez to SELLER, SELLER must obtain a parcel map or other lawful land division creating the Property into a separate legal parcel.

D. CITY desires to purchase the Property from SELLER.

E. As a municipal corporation, CITY has the ability to acquire legal title to the Property by legal description alone, without the requirement of a parcel map.

F. Pursuant to the Martinez Purchase Agreement, SELLER has the right to direct Martinez to deliver a grant deed for the Property directly to the CITY, and CITY desires to accept such grant deed.

NOW, THEREFORE, SELLER and CITY hereby agree as follows:

SELLER hereby agrees to sell and convey, and CITY agrees to purchase, fee title to that certain real property (Property) located in Elk Grove, Sacramento County, California, containing approximately 3.3 acres, as described in Exhibit "A" hereto,

together with all improvements thereon, and all rights, hereditaments, easements, appurtenances thereto belonging.

TERMS AND CONDITIONS

1. **PURCHASE PRICE.** The purchase price for the Property shall be Two Hundred Thirteen Thousand, Seventy Dollars (\$213,070) (Purchase Price), payable at Close of Escrow in immediately available credits against Laguna South Public Facilities Finance Plan Supplemental Drainage fees.
2. **ESCROW INSTRUCTIONS.** A fully executed copy of this Agreement shall be deposited with Stewart Title Company (Escrow Holder) and such delivery shall constitute the opening of an escrow with respect to the sale of the Property pursuant to this Agreement. Escrow Holder shall be concerned only with the provisions of this Paragraph 2. Said escrow shall be on the following terms and conditions:
 - a. **Payment of the Purchase Price.** Prior to closing, CITY shall cause a Supplemental Drainage Fee Agreement in the amount of the Purchase Price to be deposited in Escrow.
 - b. **Title.** At close of escrow, SELLER shall cause Martinez to execute and deliver to Escrow Holder a Grant Deed conveying title to the Property to CITY. When all of the conditions to closing herein contained have been either satisfied or waived by the parties and so confirmed in writing, and escrow is ready to close, Escrow Holder shall cause the Grant Deed to be recorded and evidence of the CITY's acceptance thereof executed by CITY's Director of Public Works. Escrow Holder shall also deliver to CITY a CLTA Policy of Title Insurance showing title to the Property vested in CITY, subject to all exceptions except Number 2, as shown on that Preliminary Title Report (Preliminary Report), Order No. 05-003975, dated July 17, 2001, issued by Stewart Title Company as updated September, 2002.
 - c. **Prorations.** Escrow Holder is hereby instructed to segregate and prorate real estate taxes, assessments and similar charges and segregate and prorate bonded indebtedness as of the Close of Escrow. Segregations and prorations of real estate taxes, assessments and similar charges shall be done based upon the most currently available information at the Close of Escrow. SELLER and/or Martinez, as appropriate, shall be responsible for applying for any refund due for Property taxes prepaid beyond Close of Escrow.
 - d. **Costs.** The cost of any escrow fees, the charge for preparation of escrow documents, recording costs, if any, the CLTA Policy of Title Insurance as described above, and all other costs of escrow and closing are to be shared equally between CITY and SELLER, except those costs associated with any increase in

costs by reason of any ALTA title insurance policy or associated survey. CITY is exempt from payment of recording fees and transfer taxes.

e. Close of Escrow. Upon the satisfaction or waiver of all conditions precedent hereto by not later than October 31, SELLER and CITY instruct Escrow Holder to close escrow (Close of Escrow) within sixty (60) days from the date this agreement is fully executed. If escrow cannot close within said sixty (60) days, the closing date may be extended by mutual agreement of the parties. Both SELLER and CITY agree that time is of the essence in this matter and agree to take whatever steps are necessary to ensure that all conditions of this escrow are satisfied in a timely manner.

f. Conditions Precedent. The Close of Escrow is expressly conditioned upon the occurrence of the following events:

(i) To CITY's Obligation. The following shall be conditions precedent to CITY's obligation to acquire the Property:

- (a) Escrow Holder is ready to issue as of the Close of Escrow the title policy required by Paragraph 2.b. hereof, showing title subject only to those exceptions herein authorized.
- (b) SELLER's compliance with each of SELLER's agreements herein, and the accuracy in all material respects of each of SELLER's representations and warranties as of the Close of Escrow.
- (c) No administrative or judicial proceeding shall have commenced as of the Close of Escrow seeking to prevent or restrain the consummation of the transaction contemplated by the Agreement or which would materially and adversely affect the Property or its use.
- (d) CITY's determination that the physical and environmental condition of the Property, which is being acquired in an "as-is" condition, is suitable for the CITY's intended use.
- (e) The City Council of the City of Elk Grove's approval of the terms hereof.

(ii) To SELLER's Obligation. The following shall be conditions precedent to the SELLER's obligation to cause the Property to be conveyed at Close of Escrow.

- (a) CITY's compliance with each of its agreements herein as of the closing date.

(b) CITY's adoption of a resolution approving this Agreement and the Supplemental Drainage Fee Credit Agreement for the Laguna South Public Facilities Fee Program.

(c) CITY's written satisfaction or waiver of any and all environmental inspections conducted pursuant to paragraph 5 of this Agreement. If the CITY finds the results of its environmental inspections unsatisfactory and chooses to terminate this Agreement, CITY shall provide SELLER copies of all its inspection reports, at no cost to SELLER.

(iii) Failure of Condition to Close of Escrow. Except as provided in this Agreement, in the event any of the conditions set forth herein are not timely satisfied or waived by the appropriate benefited party, for a reason other than the default of CITY or SELLER, this Agreement shall be terminable at the option of the affected party and, except as otherwise provided herein, the parties shall have no further obligations hereunder.

g. Commission. There is no real estate, finder's or other commission due or payable by reason of this transaction. Each party shall indemnify the other for any actions which may cause the other party to be liable for a real estate brokerage commission.

h. Standard Escrow Instructions. For those escrow matters not specifically addressed herein, Escrow Holder's standard escrow instructions shall be applicable. Where there is a conflict between the provisions of this Agreement and the provisions of Escrow Holder's standard escrow instructions, the provisions of this Agreement shall control.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF SELLER.

a. To the best of SELLER's knowledge and belief, without having made any independent investigation or inquiry, SELLER represents, warrants and covenants to CITY that the following are true as of the Agreement Date and shall be true as of the Close of Escrow:

(i) SELLER has not received notice of any material violation of any federal, state, county or other governmental or quasi-governmental statute, ordinance, regulation or administrative or judicial order with respect to the Property nor has SELLER been advised by Martinez that Martinez has received any such notice.

(ii) SELLER is unaware and has not been advised by Martinez of any action, suit or proceeding, which is pending or threatened against the

Property or any portion thereof relating to or arising out of the ownership or use of the Property, in any court or before or by any federal, state, county or municipal department, commission, board, bureau, agency or other governmental instrumentality.

(iii) Except for such matters of record as may be disclosed in the Preliminary Report, or any amendment thereto issued prior to Close of Escrow, (i) there are no leases, licenses, prescriptive easements or other third party rights to use or occupy any portion of the Property; (ii) there are no adverse parties in possession of any portion of the Property; and (iii) there are no rights to purchase the property or any portion thereof prior to those set forth herein which are held or claimed by any third party.

(iv) As of the Close of Escrow, there shall be no unpaid bills or claims by SELLER or Martinez in connection with any work on the Property.

(v) During the period of Martinez's ownership of the Property, there has been no litigation or governmental administrative action or proceeding maintained or threatened against Martinez, nor any settlements reached by Martinez with any party or parties, alleging the presence, disposal, release or threatened release of any hazardous waste or hazardous substance on, from or under the Property. The Property is not subject to any "Superfund" or similar lien, or any claim by any government regulatory agency or third party related to the release or threatened release of any toxic or hazardous substance, material or waste.

(vi) Any storage or septic tanks located on the Property, have been disclosed to CITY, and have been properly registered with all appropriate environmental authorities, and are in full compliance with all applicable statutes, ordinances and regulations, and they have not resulted in the release of any hazardous or toxic substance, material or waste to the environment.

(vii) Notwithstanding anything in the Agreement to the contrary, in the event either party becomes aware, between the Agreement Date and the Close of Escrow, of any substantive matter which would make any of SELLER's representations or warranties untrue, the parties shall have the right, within fifteen (15) days following their discovery of such matter or their receipt of notice of such matter, as appropriate, (i) to proceed to close this transaction with a mutually-acceptable indemnity from SELLER or CITY, as applicable, as to any liability arising out of the matter discovered, or (ii) to treat such matter as a failure of a condition and terminate this Agreement.

4. RISK OF LOSS. In the event that any loss or damage to the Property, which materially and adversely affects the CITY's intended use of the Property or the value of the Property, occurs prior to closing, CITY may, without liability, terminate this Agreement or it alternatively may elect to accept the conveyance of title to such Property, or a portion thereof, in which case there shall be an equitable adjustment of the Purchase Price based on the change in circumstance.

5. ENVIRONMENTAL INSPECTION; SELLER'S COOPERATION. Until September 23, 2002, CITY, its employees, agents and contractors shall have the right to enter upon the Property at reasonable times to perform such inspection of its physical and environmental condition (which may include, but shall not be limited to, obtaining soil and water samples on and beneath the surface of the Property, and conducting analyses of such samples) as it deems necessary, and for any other reasonable purpose related to this transaction. CITY hereby agrees to defend, protect, indemnify and hold SELLER and Martinez harmless from any and all liens imposed against the Property and from all claims, demands, liabilities and costs, including reasonable attorney's fees, arising out of any injury to the Property or to any person caused directly by CITY's activities on the Property. In the event that the closing does not occur for any reason, CITY shall deliver to SELLER without demand, and at no cost to SELLER, all reports prepared by or for the CITY. If the CITY finds the results of its environmental inspections unsatisfactory and chooses to terminate this Agreement, CITY shall keep such information confidential to the extent permitted by law.

6. PRESERVATION OF PROPERTY. SELLER agrees that the Property herein described shall remain as it now is until closing, and that SELLER will prevent and refrain from any use of the Property for any purpose or in any manner which would adversely affect the value of the Property. Except as otherwise provided in paragraph 2.b. above, SELLER shall not, from and after execution of this Agreement, transfer, lease or encumber any interest in the Property prior to the Close of Escrow. In the event of such actions, the CITY may, without liability, refuse to accept the conveyance of title.

7. POSSESSION. SELLER will cause possession of the Property to be delivered to the CITY at the Close of Escrow.

8. BINDING. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

9. TIME. Time is of the essence of this Agreement and the obligations of the parties to perform hereunder.

10. AS IS TRANSFER. CITY acknowledges that, except as expressly contained in this Agreement, neither SELLER, Martinez nor anyone acting for or on behalf of the SELLER has made any representation, warranty or promise to CITY concerning the physical aspects or condition of the Property, the feasibility or desirability of the Property

for any particular use; the conditions of soils, subsoils, groundwater and surface waters, or the presence or absence of any other physical aspect of the Property, and that in entering into the Agreement, CITY has not relied on any representation, statement or warranty of SELLER or anyone acting for or on behalf of SELLER, other than as may be expressly contained in this Agreement, and that all matters concerning the Property shall be independently verified by CITY and that CITY shall purchase the Property on CITY's own examination thereof, and that if CITY elects to acquire the Property, is purchasing the Property and personal property in its "as is" condition and its "as is" state of repair as of the Close of Escrow.

11. **POWER OF EMINENT DOMAIN.** The CITY has the power to acquire the Property (as that term has been herein defined) through its power of eminent domain. SELLER, after first demanding that the CITY acquire the Property, if at all, by exercise of its power of eminent domain, has consented to sell the Property to CITY in lieu of and under threat of an action to take the Property in eminent domain.

12. **CONSTRUCTION AND INTERPRETATION.** It is agreed and acknowledged by the parties hereto that the provisions of this Agreement have been arrived at through negotiation, and that each of the parties has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

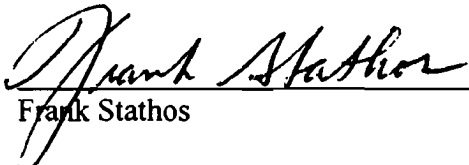
13. **CONFIDENTIALITY.** To the extent permitted by law, information relating to the property learned by CITY and its agents and employees before Close of Escrow shall be considered confidential information and shall not be disclosed to third parties.

14. **MISCELLANEOUS.** Any provision of this Agreement found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement. This Agreement represents the entire Agreement of the parties and may not be amended except in writing, signed by each party hereto. Each party to this Agreement warrants to the other that it is duly organized and existing and each signatory hereto represents to the other party that it has full right and authority to enter into and consummate this Agreement and all related documents. Except as otherwise expressly provided herein, the obligations, covenants, representations, warranties, and remedies set forth in this Agreement shall not merge with transfer of title but shall remain in effect until fulfilled and shall survive Close of Escrow. This Agreement shall be governed by the laws of the State of California. Venue for any action or proceeding between the parties hereto shall be, and may be required to be transferred to, the California Superior Court in and for the County of Sacramento and/or the U.S. District Court for the Eastern District of California. In any action or proceeding to enforce this Agreement, or arising from or out of this Agreement, the prevailing party shall recover its attorney's fees and experts' fees in addition to its costs of suit. This Agreement may be signed in identical counterparts, all of which shall constitute one instrument. If any term of this Agreement, or the application thereof to any person or circumstances, shall to any extent be invalid or unenforceable, the

remainder of this Agreement, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

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

SELLER:

By: 
Frank Stathos

Send Notices To:

SELLER:

Frank Stathos
7700 College Town Drive
Suite 201
Sacramento, CA 95826

BUYER:

City of Elk Grove
8400 Laguna Palms Way
Elk Grove, CA 95758
Attention: John Danielson

BUYER:

City of Elk Grove,
a California municipal corporation

By: _____
John Danielson
City Manager

APPROVED AS TO FORM:

By: _____
City Attorney

ATTEST:

By: _____
City Clerk

EXHIBIT "A"

LEGAL DESCRIPTION OF PARCEL

EXHIBIT "A"
PARCEL A

All that certain real property situate in the County of Sacramento, State of California, being a portion of the East One-Half of Section 8, Township 6 North, Range 5 East, M.D.M., being more particularly described as follows:

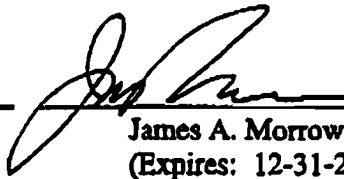
The Southerly 238.00 feet of that particular Parcel as described in Book 3976 of Official Records, at Page 875, Sacramento County Records.

SURVEYOR'S STATEMENT

I hereby state that I am a Licensed Land Surveyor of the State of California; that this Plat and Description was prepared under my supervision.

Dated: _____

9.6.2001

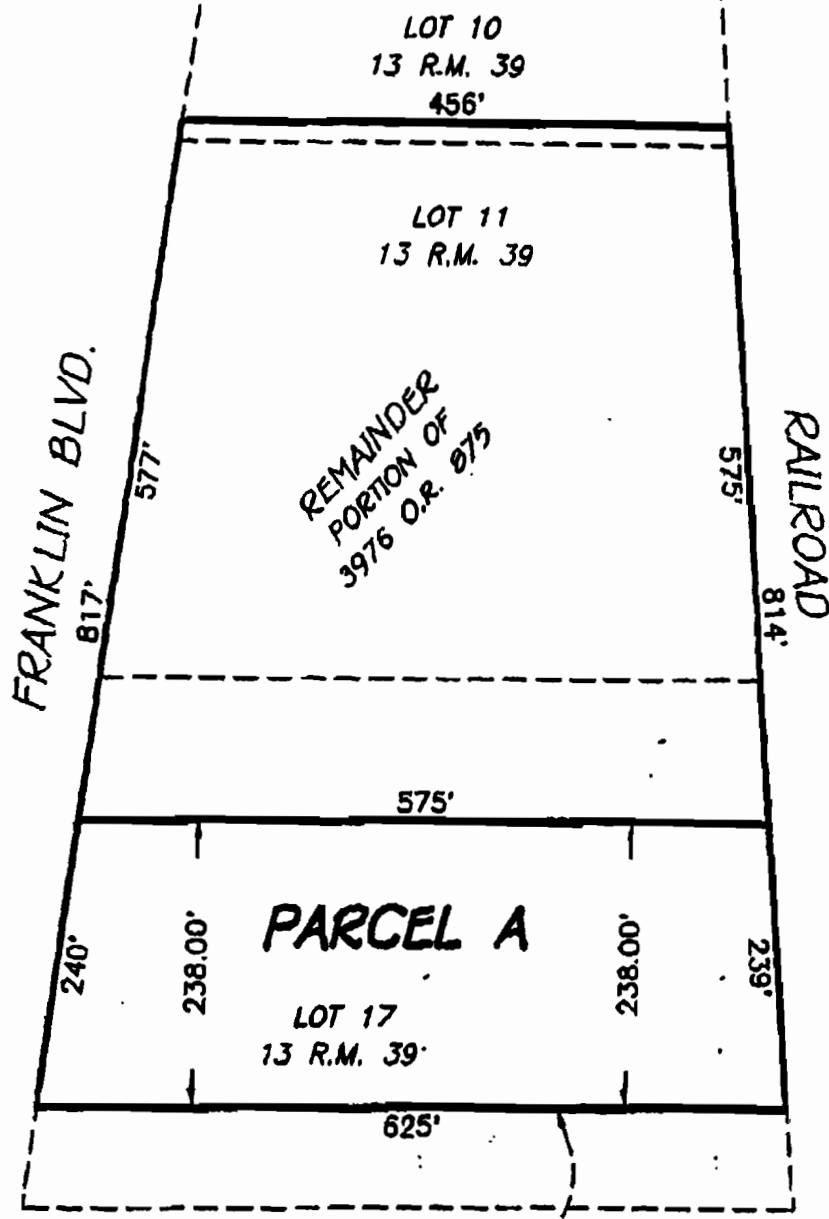


James A. Morrow, L.S. 7555
(Expires: 12-31-2003)



Prepared by the firm of
MacKay & Somp Civil Engineer, Inc.
Sacramento, California

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Page 1 of 1 Pages



SOUTHERLY BOUNDARY OF 3976 O.R. 875

EXHIBIT 'B'

Plat to Accompany Description PROPOSED PARCEL A PORTION OF 3976 O.R. 875 Sacramento County California	
MACKEY & SOINPS <small>CIVIL ENGINEERING • LAND PLANNING • LAND SURVEYING SACRAMENTO, CA 95815 (916) 929-6092</small>	
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 There are no references in this drawing.