

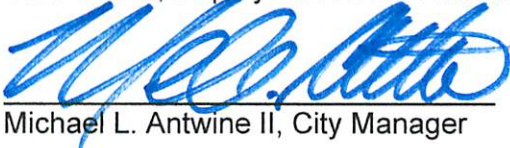
AGENDA ITEM 2

City of Bell Agenda Report

DATE: April 22, 2026

TO: Mayor and Members of the City Council

FROM: Gina Skibar, Deputy Director of Human Resources and Risk Management

APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: Authorization to Submit Notice of Intent to Withdraw from the Independent Cities Risk Management Authority (ICRMA) Liability, Cyber, and Terrorism Programs

RECOMMENDATION:

It is recommended that the City Council:

1. Read by title only, waive further reading and adopt Resolution No. 2026-19 titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, AUTHORIZING THE SUBMISSION OF A NOTICE OF INTENT TO WITHDRAW FROM THE INDEPENDENT CITIES RISK MANAGEMENT AUTHORITY (ICRMA) LIABILITY, CYBER, AND TERRORISM PROGRAMS

2. Authorize the City Manager or designee to execute all documents necessary to effectuate the withdrawal in accordance with the applicable governing documents.

BACKGROUND:

The City of Bell has participated in the Independent Cities Risk Management Authority (ICRMA), a joint powers authority that provides pooled risk-sharing programs to member agencies, since approximately 1985. Through this participation, the City currently receives coverage under ICRMA's Liability, Cyber, and Terrorism Programs as part of its overall risk management framework.

DISCUSSION:

As part of the City's ongoing commitment to sound fiscal management and operational efficiency, staff periodically evaluates the effectiveness, cost, and structure of its risk management programs. This includes reviewing coverage levels, program costs, market conditions, and alignment with the City's operational needs.

Based on this evaluation, staff is recommending that the City Council authorize the submission of a Notice of Intent to Withdraw from the identified ICRMA programs. Submission of the Notice of Intent is a procedural step required under the governing documents to initiate the withdrawal

process and preserve the City's ability to transition to alternative risk management options, if deemed appropriate.

Authorization of this action does not result in immediate withdrawal. The City will continue to participate in the programs and meet all applicable obligations during the required notice period. This approach ensures continuity of coverage while allowing the City sufficient time to evaluate and implement any future risk management strategies.

Staff will return to the City Council, as appropriate, with recommendations regarding alternative coverage options and any associated fiscal impacts prior to implementation.

FISCAL IMPACT:

No Fiscal Impact.

STRATEGIC PLAN 2023-25:

Target 4: Fostering Financial Resilience

ATTACHMENT(S):

1. Copy of the 30 Notice of Intent to withdraw submitted to ICRMA on April 16, 2026
2. Resolution 2026-19



OFFICE OF THE CITY MANAGER

April 16, 2026

Eric Dahlen, Executive Director, Pool Administration, ICRMA
1750 Creekside Oaks Dr. Ste #200
Sacramento, CA 95833

Subject: Notice of Intent to Withdraw from ICRMA

Pursuant to the applicable provisions of the Joint Powers Agreement and governing program documents, the City of Bell hereby provides formal Notice of Intent to Withdraw from participation in the Independent Cities Risk Management Authority (ICRMA) Liability, Cyber, and Terrorism Programs.

This Notice of Intent is submitted following authorization by the Bell City Council on April 22, 2026, to proceed with withdrawal in accordance with all contractual and statutory requirements.

The City understands that withdrawal will become effective in accordance with the notice provisions set forth in the governing agreements and acknowledges its obligation to comply with all applicable terms and conditions through the effective date of withdrawal, including any financial and administrative requirements.

Please confirm receipt of this notice and provide any necessary information to ensure compliance with the applicable withdrawal procedures.

The City reserves the right to revoke this Notice of Intent in accordance with the provisions set forth in the governing documents.

Should you have any questions, please contact me directly.

Sincerely,

Michael L. Antwine II, City Manager

Enclosed: Resolution

6330 Pine Avenue, Bell, California 90201

Phone (323) 923-2617 - Fax (323) 771-9473 - www.cityofbell.gov

RESOLUTION NO. 2026-19

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL,
CALIFORNIA, AUTHORIZING THE SUBMISSION OF A NOTICE
OF INTENT TO WITHDRAW FROM THE INDEPENDENT CITIES
RISK MANAGEMENT AUTHORITY (ICRMA) LIABILITY, CYBER,
AND TERRORISM PROGRAMS**

WHEREAS, the City of Bell has been a member of the Independent Cities Risk Management Authority (ICRMA), a joint powers authority, since approximately 1985, for the purpose of participating in pooled risk-sharing programs, including Liability, Cyber, and Terrorism coverage; and

WHEREAS, the City Council recognizes the importance of fiscal responsibility and the need to regularly evaluate the cost-effectiveness and sustainability of the City's insurance and risk management programs; and

WHEREAS, the City has determined that continued participation in ICRMA's Liability, Cyber, and Terrorism Programs may not represent the most advantageous or cost-effective approach to managing its current and future risk exposure; and

WHEREAS, the City is exercising its rights under the ICRMA Governing Documents to provide formal notice of its intent to withdraw from the aforementioned programs, effective at the conclusion of the 2026/2027 program year; and

WHEREAS, this action will allow the City sufficient time to assess alternative options, including other public risk-sharing pools and commercial markets, to secure comprehensive and competitive risk coverage.

NOW, THEREFORE, THE CITY COUNCIL DOES HEARBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City Council hereby authorizes the City Manager or designee to submit a formal Notice of Intent to Withdraw from ICRMA's Liability, Cyber, and Terrorism Programs, to take effect at the end of the 2026/2027 program year.

SECTION 2. The City Manager or designee is further authorized to evaluate alternative risk management and insurance options and return to the City Council with recommendations.

SECTION 3. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 23 day of April 2026.

Ali Saleh, Mayor

APPROVED AS TO FORM

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the City of Bell City Council at its regular meeting held 23 day of April 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

AGENDA ITEM 3

City of Bell Agenda Report

DATE: April 22, 2026

TO: Mayor and Members of the City Council

FROM: Damian Velasco, Chief of Police

APPROVED
BY:


Michael L. Antwine II, City Manager

SUBJECT: Consideration of a one-year Agreement with Sun Ridge Systems to provide software support and maintenance to the current Records Identification and Management System (RIMS) used by the Bell Police Department.

RECOMMENDATION:

It is recommended that the City Council approve an Agreement with Sun Ridge Systems, extending the term of the current agreement for an additional one-year period, from July 1, 2026 to June 30, 2027.

BACKGROUND:

The City of Bell Police Department has had a yearly Agreement with Sun Ridge System to provide records management, training and support, for over two decades. The cost of the Agreement has increased over the course of those years and will exceed \$25,000 for fiscal year 2026-2027.

Sun Ridge Systems has a long-standing relationship with the City of Bell, and it is recommended that the City continue that relationship for the following reasons:

- Records personnel and sworn officers are familiar with the current system and its capabilities.
- Other systems used by neighboring agencies are difficult to navigate and are costly.
- The training cost associated with transitioning to a new system would be significant.
- Sun Ridge Systems has served the Police Department well by easily allowing access to information requested during yearly mandated State and Federal audits.
- Sun Ridge Systems has been responsive to any requests for training or system functionality needs that arise.

STRATEGIC PLAN 2023-25:

Target 3 – Quality of Life

FISCAL IMPACT:

There will be funds allocated in the amount of \$29,137 for fiscal year 2026-2027.

CONCLUSION:

Based on the performance of Sun Ridge Systems over the last two decades, it is recommended that the City Council approve the attached (1) one-year Agreement, from July 1, 2026, to June 30, 2027.

ATTACHMENTS:

1. Sun Ridge Systems Software Support Services Agreement for Fiscal Year 2026-2027
2. Sun Ridge Systems Invoice dated April 6, 2026

Sun Ridge Systems Software Support Services Agreement

This is a description of the software support, maintenance, and update/upgrade services to be provided by Sun Ridge Systems, Inc. ("SRS") to the City of Bell, CA ("Licensee") as part of a Software Support Services Agreement ("Agreement"). This Agreement covers all RIMS public safety software (Software) licensed by the Licensee and is effective on July 1, 2026.

Under this agreement SRS agrees to provide the following services to Licensee:

1. **Coverage Hours.** SRS will provide a toll-free phone number and dedicated email address for support purposes during normal service hours. Normal service hours are defined as Monday-Friday, 8AM-5PM PST, except for New Year's Day, Martin Luther King Day, Presidents Day, Memorial Day, July 4th, Labor Day, Veterans Day, Thanksgiving Day, Day after Thanksgiving, and Christmas Day ("common holidays").

However, for instances where the Licensee's system is completely inoperable due to an SRS software problem ("critical problems") preventing basic system operation, service will be available 24 hours, 7 days a week, common holidays included. Examples of critical problems include:

- RIMS is down/not responding on multiple workstations
- Cannot create a call for service (CAD Incident)
- Cannot issue a case number
- Unable to access NCIC
- Other issues that will not allow the user to complete critical tasks

Licensee will have taken reasonable measures prior to contacting SRS support during non-service hours including:

- Verified that the issue is not related to just 1 workstation
- Restarted the workstation in question
- Contacted in-house IT support if the issue is related to network or server errors
- Verified the issue is critical enough that it cannot wait until normal support hours

2. **SRS Response to reported problems.** SRS agrees to provide service and assistance as expeditiously as possible as follows:

- a. Most problems will be resolved with the initial phone call or email.
- b. For problems that cannot be immediately resolved, SRS will work to resolve the problem based on the severity of the problem *and* the urgency reported by Licensee.
 - For critical problems, SRS personnel will work with Licensee until the situation is resolved.
 - For problems that are not critical problems that have a lesser though continuing impact on operations of Licensee SRS will endeavor to provide a solution or workaround within 72 hours of the problem being reported to SRS by the Licensee.
 - For other problems SRS may, at its discretion, either issue a near term "fix release" of the product or include the fix in the next scheduled product update.

3. **Licensee equipment and software responsibilities.** Licensee agrees to allow SRS to remotely connect to Licensee's system when a problem is reported. SRS uses BeyondTrust remote access software for secure installation and follow-on support services. BeyondTrust software provides superior security and does so over an ordinary internet connection via an SRS server that hosts a BeyondTrust security hardware device.

If Licensee does not allow unattended access, the SRS response to a service request may be delayed until a responsible party of the Licensee allows access. Once remote access is obtained, SRS will examine data files, investigate reported problems, and provide updates and corrections as necessary.

4. **Provision of software updates.** SRS will provide all new enhanced and updated versions of software licensed to Licensee at no additional cost. This software will be provided with detailed installation instructions for installation by Licensee. If desired, Licensee may retain SRS to perform any installation at additional cost to be determined on a per case basis. Updates are distributed via download from the SRS ftp web site. SRS will not be obligated to provide service for release versions that are more than two annual release versions older than the current release.
5. **Cost.** The cost of the services and software to be provided under this Agreement in the amount of \$29,137.00.
6. **Late Payment.** In addition to any other amounts for which Licensee is liable under this Agreement, Licensee agrees to pay to SRS a late charge equal to one percent (1%) of the amount due if Licensee fails to pay SRS any amount that is due and owing pursuant to this Agreement within sixty (60) days after Licensee's receipt of an invoice from SRS or (60) days after the expiration of the previous Agreement, whichever comes later. In addition, any invoiced amounts that are due and owing under this Agreement which Licensee fails to pay to SRS within ninety (90) days after Licensee's receipt of an invoice from SRS shall thereafter bear interest at the rate of twelve percent (12%) per annum or the highest interest rate allowed by applicable law, whichever is less.
7. **Term.** The term of this Agreement shall be one year from the date stated in the initial paragraph and shall be annually renewed for another year upon payment of invoice. Payment for the year is due in advance the day the services begin. Non-payment of the support invoice within 60 days as described in Section 6 shall be cause for terminating or suspending the Agreement at the discretion of SRS.
8. **Termination.** Licensee may terminate this Agreement with or without cause upon ninety (90) days written notice to SRS. If terminated, Licensee is entitled to a prorated refund for the service days not consumed beginning on the last day of the month the written notice is received by SRS to the end of the remaining term of the Agreement.
9. **Limitations.** SRS agrees to provide support only for public safety application software provided by SRS. Other software used by Licensee (word processing, spreadsheet, etc.) is not included in this Agreement. PC and network operating system software and Microsoft SQL Server database system software is similarly not included, although SRS may assist Licensee in isolating problems to this software. (SRS reserves the right to charge for diagnostic services in the event it is determined that

the reported issue is not attributable to RIMS.) Also specifically excluded is responsibility for administration, support, or maintenance of Licensee' server, computer network, operating systems, or database (Microsoft SQL Server).

Licensee may request that SRS provide support services outside the limitations of this Support Services Agreement. If SRS agrees to provide any requested additional support services, such support services will be provided at SRS's current rate and under terms and conditions that SRS may require.

This Agreement does not include equipment maintenance or assistance in diagnosing hardware problems including but not limited to PCs, printers, network, scanners, and other computer peripheral devices with the exception that SRS will assist Licensee in determining whether a problem is RIMS application software in nature.



To: Chief Damien Velasco, Bell Police Department
From: Tamera Melrose
Subject: Quotation for Annual RIMS Support and Update Fees
Date: April 6, 2026

The following is a quotation for RIMS Annual Support and Update fees for the period of July 1, 2026 to June 30, 2027.

Item	FY 26/27
RIMS Annual Support Services – Computer Aided Dispatch (CAD) Software, Records Management (RMS) Software, Mobile Computer Software, E-911 Link Software, State Link Software, Mugshot/Digital Imaging, RIMS Mapping, Property Management and Crossroads Accident Import Link	\$29,137
TOTAL	\$29,137

This quote is only for the listed modules, if additional software or interfaces are added or modified it may impact the support amount being quoted. If you have any further questions, please call me at 1-800-474-2565 x5.


AGENDA ITEM 4

City of Bell Successor Agency Agenda Report

DATE: April 22, 2026

TO: Chair and Members of the Board

FROM: Javier Ochiqui, Interim Community Development Director

APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: Transfer and Acceptance of Former Redevelopment Agency Properties 4014 Gage Ave. and 4022 Gage Ave. (APN 6325-002-901 and 6325-002-902)

RECOMMENDATION:

It is recommended that the Chair and Board members of the Successor Agency read by title only, wive further reading and adopt Resolution No. 2026-17 titled:

A RESOLUTION OF THE SUCCESSOR AGENCY FOR THE BELL COMMUNITY REDEVELOPMENT AGENCY, DECLARING THE PROPERTIES EXEMPT SURPLUS PROPERTY UNDER THE SURPLUS LAND ACT AND APPROVING THE TRANSFER OF THOSE CERTAIN REAL PROPERTIES TO THE CITY AND AUTHORIZING RELATED ACTIONS ON APN 6325-002 -01 and 6325-002-902

BACKGROUND AND DISCUSSION:

On February 1, 2012, pursuant to Assembly Bill x1 26 and the California Supreme Court decision in CRA v. Matosantos, redevelopment agencies throughout California were dissolved. The City of Bell assumed the role of Successor Agency to the former Bell Community Redevelopment Agency and is responsible for winding down its affairs, including the disposition of real property assets.

The Successor Agency prepared a Long- Range Property Management Plan ("LRPMP") in accordance with Health and Safety Code Section 34191.5, which was approved by the Oversight Board and the California Department of Finance. The LRPMP governs the disposition of former redevelopment agency assets. The LRPMP was prepared prior to the State allowing identified public parking facilities from transfer directly to the City.

The Successor Agency has taken action to:

Declare the subject properties as excess to its needs and determine that the properties qualify as "exempt surplus land" under Government Code Section 54221(f) because they are less than one-half acre in size and not contiguous to land used for open space or affordable housing purposes.

Because the properties meet the statutory exemption criteria, they are not subject to the Surplus Land Act's affordable housing disposition requirements. The City Council's action is required to

formally accept the property via Quitclaim Deed and place the properties under City ownership and control.

OVERSIGHT BOARD/DEPARTMENT OF FINANCE:

The transfer is consistent with the approved Long-Range Property Management Plan and State Amendments to Assembly Bill x1 26 as well as the Surplus Land Act. No further Oversight Board, Department of Finance or Housing and Community Development (HCD) is required.

ENVIRONMENTAL DETERMINATION (CEQA):

This action is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(5), as it involves only an administrative transfer of property ownership and does not result in a physical change to the environment.

USE AND CONTROL AFTER TRANSFER:

Upon acceptance:

The properties will remain in their current use as parking lots.
No change in land use, development, or operations is proposed.
The City will assume ownership and ongoing management responsibilities.

STRATEGIC PLAN 2023-25:

1. Target 1- Economic Development

FISCAL IMPACT:

There is no direct fiscal impact associated with this action.
No sale or revenue is generated
No impact to the General Fund or ROPS
No new costs beyond existing maintenance and operations

ATTACHMENT(S):

- 1 – Resolution 2026-17 - Resolution of Acceptance
- 2 – Quitclaim Deed
- 3 – Assessor Parcel Map

RESOLUTION 2026-17

A RESOLUTION OF THE SUCCESSOR AGENCY FOR THE BELL COMMUNITY REDEVELOPMENT AGENCY, DECLARING THE PROPERTIES EXEMPT SURPLUS PROPERTY UNDER THE SURPLUS LAND ACT AND APPROVING THE TRANSFER OF THOSE CERTAIN REAL PROPERTIES TO THE CITY AND AUTHORIZING RELATED ACTIONS ON APN 6325-002 -01 and 6325-002-902

WHEREAS, the former Bell Community Redevelopment Agency ("Former RDA") was dissolved pursuant to Assembly Bill X1 26 and related legislation (collectively, the "Dissolution Law"); and

WHEREAS, the **City of Bell**, as the designated **Successor Agency**, is responsible for the disposition of real property assets of the Former RDA in accordance with the Dissolution Law; and

WHEREAS, the real properties described below were retained by the Successor Agency and are no longer required to satisfy enforceable obligations of the Former RDA; and

WHEREAS, the following properties ("Properties") consist of a 2-parcel surface parking lot used for municipal and/or public purposes: **Gage Avenue Parking Lot** (APN 6325 002 901 and 6325 002 902) Commonly known as 4014 Gage and 4022 Gage Avenue, Bell, CA

WHEREAS, pursuant to California Health and Safety Code Section 34191.5, certain properties are classified as exempt surplus land, including land transferred to a city for governmental use; and

WHEREAS, the Properties qualify as **exempt surplus land** due to the properties' size of approximately 13,000 square feet which is below the minimum threshold of less than one-half acre in area (21,780 square feet) as stated in the Surplus Land Act, Government Code § 54220.; and

WHEREAS, the properties qualify to be transferred to the City for continued municipal use as parking pursuant to Assembly Bill 1484, 2012, and are not subject to disposition through the Surplus Land Act; and

WHEREAS, the transfer of the Properties from the Successor Agency to the City is consistent with the Dissolution Law, the Surplus Land Act and the best interests of the City and the public; and

WHEREAS, the City of Bell as the Successor Agency to the Bell Community Redevelopment Agency has reviewed and approved the proposed transfer of the Properties to the City.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF BELL, ACTING IN ITS CAPACITY AS THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Successor Agency to the Former Redevelopment Agency hereby finds and determines that the foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. Based on the above recitals and its independent review, the Successor Agency

of the Former Redevelopment Agency of the City of Bell hereby declares the property to be "exempt surplus land" pursuant to the Surplus Land Act (SLA).

Section 3. The City Council finds and determines that this action results in no binding commitment to authorize or advance the disposition of the "exempt surplus land"; will not result in a direct or indirect physical change in the environment; and does not constitute an "approval" of a "project" pursuant to CEQA Guidelines Sections 15004 and 15352.

Section 4. The City Manager, or designee, is hereby authorized to execute any agreements or related documents necessary to complete the transfer, take all actions necessary to implement this Resolution and record any required documents with the Los Angeles County Recorder.

PASSED, APPROVED AND ADOPTED this 22nd day of April 2026.

Ali Saleh, Chairperson

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22th day of April , 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

**RECORDING REQUESTED
BY AND WHEN RECORDED**

MAIL TO:

**Attn: City Clerk
City of Bell**

**City Hall
6330 Pine Ave,
Bell, CA 90201**

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**This document is exempt from the
payment of a recording fee pursuant to
Government Code Section 27383**

**This transfer is exempt from documentary transfer tax
pursuant to Revenue and Taxation Code Section 11922 as the
Successor Agency (the grantee) is a
governmental agency.**

**Successor Agency to the
Bell Community Redevelopment Agency**

QUITCLAIM DEED

APNs 6325-002-901 and 6325-002-902
Commonly known as
4014 Gage Avenue and 4022 Gage Avenue, Bell, CA

PART ONE

Successor Agency to the Bell Community Redevelopment Agency a municipal corporation (the "Successor Agency") hereby remises, transfers and quitclaims to the City of Bell, a municipal corporation (the "City"), all of the rights, title and interest of the City in certain real property (the "Property") which is located in the City of Bell, California, and more particularly described in the legal description of the Property attached to this Quitclaim Deed as Exhibit "A" and incorporated herein by this reference.

The Property is hereby quitclaimed by this Quitclaim Deed in favor of the City as this term is defined in Health and Safety Code Section 34171 and Government Code Section 53395.4, subject to all easements, encumbrances, liens and other exceptions to title whether public record or apparent upon inspection of the Property, including the business records of the City and/or the Successor Agency as they relate to the Property and other matters referenced in PART TWO, PART THREE, PART FOUR and PART FIVE of this Quitclaim Deed.

PART TWO

This Quitclaim Deed is delivered by the Successor Agency to the City in furtherance of the implementation of ABX1 26 which dissolved redevelopment agencies, and as required by Health

EXHIBIT "A"

LEGAL DESCRIPTIONS

PARCEL 1: (APN 6325-002-901)

Lot 4 in Block "B" Grider and Hamilton's Subdivision of the Easterly Portion of the Bell Tract, Rancho San Antonio, as per map recorded in Book 3, Page 36 of Maps, in the office of the County Recorder of said County

and,

PARCEL 2: (APN 6325-002-902)

Lot 5 in Block "B" Grider and Hamilton's Subdivision of the Easterly Portion of the Bell Tract, Rancho San Antonio, as per map recorded in Book 3, Page 36 of Maps, in the office of the County Recorder of said County

SUCCESSOR AGENCY TO NOTARIZE FOR THE QUIT CLAIM DEED

California Jurat Certificate

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of _____ } s.s.

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____, by _____ and _____, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature of Notary Public

For other required information (Notary Name, Commission No. etc.)

Seal

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this jurat to an unauthorized document and may prove useful to persons relying on the attached document.

Description of Attached Document	Additional Information
The certificate is attached to a document titled/for the purpose of <div style="border: 1px solid black; height: 80px; width: 100%; margin: 5px 0;"></div> containing _____ pages, and dated _____	Method of Affiant Identification Proved to me on the basis of satisfactory evidence: <input type="radio"/> form(s) of identification <input type="radio"/> credible witness(es) Notarial event is detailed in notary journal on: Page # _____ Entry # _____ Notary contact: _____ Other <input type="checkbox"/> Affiant(s) Thumbprint(s) <input type="checkbox"/> Describe: _____ <div style="border: 1px solid black; height: 40px; width: 100%; margin-top: 5px;"></div>

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formcalifornia.com

THE CITY OF BELL

ACCEPTANCE OF QUITCLAIM DEED

APN: 6325-002-901 and 6325-002-902

Commonly Known As 4014 Gage Avenue and 4022 Gage Avenue, Bell CA

The undersigned officer of the City of Bell, hereby acknowledges and declares that the City adopted its Resolution No. 2026- _____, dated April ____, 2026, in which the City acknowledges its acceptance of the delivery of the Property from the Successor Agency to the Bell Community Redevelopment Agency, a municipal corporation, pursuant to the terms and conditions set forth in the within Quitclaim Deed.

AGENCY

THE CITY OF BELL, a municipal corporation

Date: April ____, 2026

By: _____
Michael Antwine
City Manager

[Notary Acknowledgement Attached]

APPROVED AS TO FORM:

Agency General Counsel

THE CITY TO NOTARIZE FOR THE DEED ACCEPTANCE

California Jurat Certificate

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of _____ } s.s.

Subscribed and sworn to (or affirmed) before me on this _____ day of _____,
Month

20 _____, by _____ and
Name of Signer (1)

_____, proved to me on the basis of
Name of Signer (2)

satisfactory evidence to be the person(s) who appeared before me.

Signature of Notary Public

For other required information (Notary Name, Commission No., etc.)

Seal

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this jurat to an unauthorized document and may prove useful to persons relying on the attached document.

Description of Attached Document	Additional Information
<p>The certificate is attached to a document titled/for the purpose of</p> <div style="border: 1px solid black; height: 80px; width: 100%;"></div> <p>containing _____ pages, and dated _____</p>	<p>Method of Affiant Identification</p> <p>Proved to me on the basis of satisfactory evidence: <input type="radio"/> form(s) of identification <input type="radio"/> credible witness(es)</p> <p>Notarial event is detailed in notary journal on: Page # _____ Entry # _____</p> <p>Notary contact: _____</p> <p>Other</p> <p><input type="checkbox"/> Affiant(s) Thumbprint(s) <input type="checkbox"/> Describe: _____</p> <div style="border: 1px solid black; height: 40px; width: 100%;"></div>

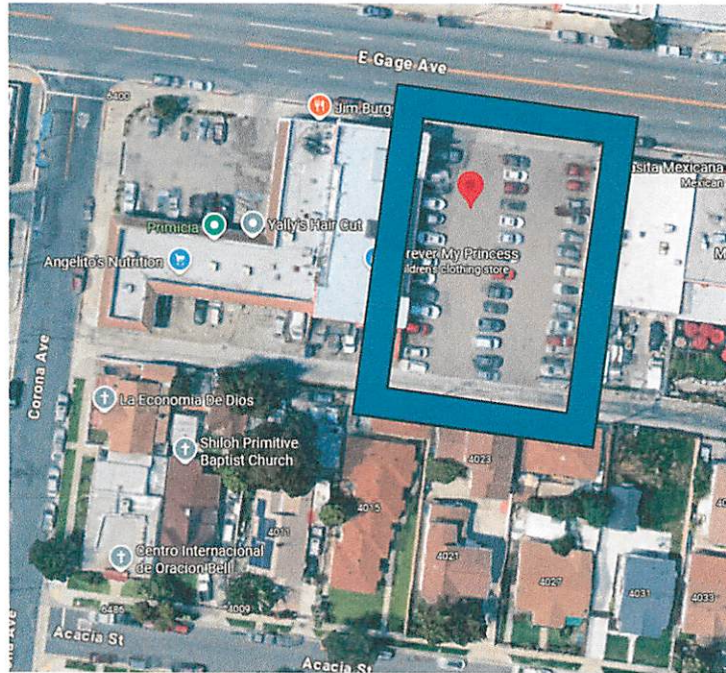
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formcalifornia.com

ASSESSOR PARCEL MAP / AERIAL MAP (cont'd)

Common Addresses:

4014 Gage Avenue and 4022 Gage Avenue, Bell, CA




AGENDA ITEM 5

City of Bell Agenda Report

DATE: April 22, 2026

TO: Mayor and Members of the City Council

FROM: Rita Montalvo, P.E., Public Works Director
Rey Alfonso, P.E., City Engineer

APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: Appointments to the Governing Board of the Los Angeles Gateway Region Integrated Regional Water Management Authority

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt Resolution No. 2026-18 tilted:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL
APPOINTING A MEMBER AND ALTERNATES TO THE LOS
ANGELES GATEWAY REGION INTEGRATED REGIONAL
WATER MANAGEMENT JOINT POWERS AUTHORITY
GOVERNING BOARD**

BACKGROUND:

The City of Bell (City) is a member of the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority (GWMA). On June 25, 2025, the City Council appointed German Alvarez, Associate Engineer as the Board Member and Kenneth Jones, Public Works Manager as the alternate Board Member to the GWMA.

On January 12, 2026, the City hired Rita Montalvo as the Director of Public Works. Ms. Montalvo can serve as the Board Member of GWMA.

In accordance with the GWMA's Bylaws adopted on October 12, 2015, all non-Legislative Body appointments to the GWMA Board must be done by Resolution. Legislative Body appointments may be made by minute order.

DISCUSSION:

GWMA Board Members and alternate Board Members serve two-year terms beginning October 1st of each odd-numbered year and concluding on September 30th two years later. A Board Member and alternate Board Member serve continuously across successive two-year terms such that the governing body need not re-appoint the same persons to the GWMA Board every two years, unless the governing body desires to change its designated Board Member and/or

alternate Board Member or must otherwise fill a vacancy.

The proposed resolution attached to this report would change the appointments made by the City Council on June 25, 2025. As the newly hired Director of Public Works, Rita Montalvo can represent the City to the GWMA Board with her engineering background and management experience.

Staff recommend changing the current appointments with the following staff members:

- Rita Montalvo, Director of Public Works (Board Member)
- German Alvarez, Associate Civil Engineer (alternate Board Member)

The staff member listed below will remain as the appointed Alternate Board Member as appointed by the City Council on June 25, 2025.

- Kenneth Jones, Public Works Manager (alternate Board Member)

FISCAL IMPACT:

Annual dues will continue to be assessed and approved by a super-majority vote of the GWMA Board in order to support the on-going work of the GWMA. Currently, the City pays \$7,500 for its Annual GWMA membership.

STRATEGIC PLAN 2023-25:

This agenda item aligns with the City of Bell 2023-25 Strategic Plan:

Target 3- Elevating Quality of Life

ATTACHMENT:

- 1) Resolution 2026-18- Appointing a Member and Alternates to the Los Angeles Gateway Region Integrated Regional Water Management Authority Government Board

RESOLUTION NO. 2026-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL APPOINTING A MEMBER AND ALTERNATES TO THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER MANAGEMENT AUTHORITY GOVERNING BOARD

WHEREAS, the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority (GWMA) was formed in 2007 in response to the passage of two voter-approved water bonds; Proposition 50, passed in 2002 and Proposition 84, passed in 2006; and

WHEREAS, the City of Bell is a member of the GWMA; and

WHEREAS, under the GWMA Joint Powers Agreement, each member agency shall appoint one member and up to three alternate members to the Governing Board in accordance with the GWMA Bylaws; and

WHEREAS, pursuant to the GWMA Bylaws, the member and alternate members appointed by this Resolution shall hold office until September 30, 2027; and

WHEREAS, pursuant to the GWMA Joint Powers Agreement and the GWMA Bylaws, the Member and Alternate Member(s) shall serve two-year terms beginning October 1st of each odd-numbered year.

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Effective April 22, 2026, Rita Montalvo, Public Works Director, is appointed to serve as the GWMA Board Member representing the City of Bell.

SECTION 2. Effective April 22, 2026, German Alvarez, Associate Civil Engineer, is appointed to serve as alternate Board Member representing the City of Bell.

SECTION 3. Kenneth Jones, Public Works Manager, will remain as Alternate Board Member representing the City of Bell as appointed by the City Council on June 25, 2025.

SECTION 4. The Board Member and alternate Board Members designated above shall continue in their respective positions as if re-appointed for each successive two-year term, unless the Board Member or alternate Board Member is replaced by subsequent action of this legislative body or he or she ceases to be employed by the agency.

SECTION 5. This resolution shall take effect immediately upon its adoption by the City Council..

SECTION 6. The City Clerk shall attest to the passage of the Resolution and it shall thereupon be in full force and effect.

PASSED, ADOPTED AND APPROVED this 22nd day of April 2026.

Ali Saleh, Mayor

APPROVED AS TO FORM

Dave Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22nd day of April 2026, by the following vote:

AYES:

NOES:


ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

AGENDA ITEM 6

City of Bell Agenda Report

DATE: April 22, 2026
TO: Mayor and Members of the City Council
FROM: Rickey Manbahal, Finance Director
APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: Consideration of Agreement with Price Paige & Company CPA

RECOMMENDATION:

It is recommended that the City Council approve an agreement with Price Paige & Company CPA for advisory accounting professional services.

BACKGROUND:

Over the past 5 months, the City has been faced with a critical vacancy of the Accounting Manager position within the Finance Department. This vacancy created several challenges with completing specialized and technical accounting functions and tasks in a timely manner, external audit compliance, financial policies implementation, impacting the City's ability to comply with various state and federal regulations.

The City contracted Price Paige & Company CPA under City Managers authority for temporary staffing until the vacancy is filled. Unfortunately, due to at the vacancy within the department and the inability to attract highly qualified candidates for the Accounting Manager position, here these are the various time-sensitive activities that needs to be completed, audit, budget and mandatory state reporting that need to be completed.

DISCUSSION:

The city has been working with Price Paige & Company CPA for temporary staffing in the Accounting/Finance department. Below are assignments currently in progress.

Finance Advisory Services:

- ✓ Audit preparation and planning
- ✓ Single Audit & Financial Transaction (State Controllers Report)
- ✓ Fiscal year end audit reconciliations
- ✓ Cash Flow Analysis & General Accounting
- ✓ Financial Policies update
- ✓ General Ledger reconciliation
- ✓ Year End fixed asset and depreciation
- ✓ Miscellaneous Accounting and Technical Finance Tasks

FISCAL IMPACT:

This agreement will be paid with funds allocated within the Finance Department FY25-26 adopted budget.

- Finance Department: \$65,000

ATTACHMENT(S):

1. Professional Services Agreement

CONTRACT SERVICES AGREEMENT

BY AND BETWEEN

CITY OF BELL

AND

PRICE PAIGE & COMPANY

**CONTRACT SERVICES AGREEMENT
BETWEEN THE CITY OF BELL AND PRICE PAIGE & COMPANY**

THIS CONTRACT SERVICES AGREEMENT (herein “Agreement”) is made and entered into this day of April, 2026 by and between the City of Bell, a California charter city (“City”) and Price Paige & Company, a California corporation (“Consultant”).

RECITALS

A. City has sought the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Bell Municipal Code, City has authority to enter into and execute this Agreement.

D. The parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

The Scope of Services shall include the Consultant's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties.

Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other.

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other Consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Sixty-Five Thousand Dollars (\$65,000) (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one year from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Sharon Rahban Navizadeh
(Name)

Government Advisory Services Senior Manager
(Title)

Josh Giosa
(Name)

Partner
(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Rickey Manbahal, Finance Director, or such person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or

control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Consultant's indemnification of City, and prior to commencement of any services under this Agreement, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

(a) General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(b) Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection

with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

5.2 General Insurance Requirements.

(a) Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, its agents, representatives, employees or subconsultants.

(c) Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned

policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Enforcement of contract provisions (non-estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(i) Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in

the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

(n) Agency's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(p) Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of

Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer

shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”) prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City’s sole risk and without liability to Consultant, and Consultant’s guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the City.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City

shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes: Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's

obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated

termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid

conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Bell, 6330 Pine Avenue, Bell, California 90201 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or

employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY:
CITY OF BELL, a charter city

Ali Saleh, Mayor

ATTEST:

Angela Bustamante, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP



Danny Aleshire, City Attorney

CONSULTANT:
PRICE PAGE & COMPANY, a California Corporation

By: _____

Name: Josh Giosa

Title: Partner

By: _____

Name: _____

Title: _____

Address:

Price Paige & Company
530 N. Magnolia Avenue, Suite 100
Clovis, CA 93611

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

TITLE(S)	
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	NUMBER OF PAGES
<input type="checkbox"/> ATTORNEY-IN-FACT	
<input type="checkbox"/> TRUSTEE(S)	_____
<input type="checkbox"/> GUARDIAN/CONSERVATOR	DATE OF DOCUMENT
<input type="checkbox"/> OTHER _____	

SIGNER IS REPRESENTING:	
(NAME OF PERSON(S) OR ENTITY(IES))	SIGNER(S) OTHER THAN NAMED ABOVE
_____	_____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER _____ <div style="text-align: center;">TITLE(S)</div>	_____ TITLE OR TYPE OF DOCUMENT
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER _____ _____	_____ NUMBER OF PAGES
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES)) _____ _____	_____ SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"

SCOPE OF SERVICES

- I. Consultant will perform the following services:
 - A. Finance Director Support Services including the following:
 - a. Management consulting on implementation of financial systems;
 - b. Management consulting on reviewing of journal entries prepared by the City's accountants;
 - c. Management consulting on Audit preparation and planning for the anticipated Fiscal Year 2026 Financial and Single Audit;
 - d. Management consulting and assistance in preparation of Monthly close procedures; and
 - e. Management consulting and assistance on addressing auditor open items and any other issues related to the Fiscal Year 2025 Financial and Single Audits.
 - B. Assistance with budget book preparation or compilation
 - a. Consultant will assist in gathering, organizing, and clarifying documentation requested by the City related to budget schedules for the Fiscal Year ending June 30, 2027.
 - C. Cash Flow Analysis Review of Process
 - a. Consultant will work with the City's Finance Department to review the process of Cash Flow Analysis. Consultant will make written recommendations to improve the process where needed and assist the City with preparing calculation or reporting tools to support the objective of efficient and effective cash flow for facilitating the City's disbursement process.
 - D. Financial Policy Preparation
 - a. Consultant will assist the City's Finance Department with the preparation of the City's financial policies, as needed and requested by City management.
 - E. Audit Support
 - a. Consultant will support the City's Finance Director with audit related services, as needed and requested in writing by the Contract Officer.
 - F. Other Duties as Assigned
 - a. Any professional consultation as requested by City management. The scope, timing, and extent of the additional consultation will be discussed prior to the commencement of any work and relayed in writing to the Consultant. The Consultant will only be reimbursed for matters requested and approved in writing by the Contract Officer.

- II.** As part of the services, Consultant will prepare and deliver the following tangible work products to the City:
 - A. Periodic written or verbal reports as requested by the Contract Officer.
- III.** In addition to the requirements of Section 6.2, during performance of the services, Consultant will keep the City apprised of the status of performance by delivering the following status reports:
 - A. Such status reports as and when requested by the Contract Officer.
- IV.** All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.

EXHIBIT "B"

SPECIAL REQUIREMENTS

(Superseding Contract Boilerplate)

None.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

I. Consultant shall be compensated on a time and materials basis at the following hourly rates for Consultant's personnel:

Title	Hourly Rates
Partner	\$375
Senior Manager	\$330
Manager	\$300
Supervisor 2	\$240
Supervisor 1	\$220
Senior 2	\$200
Senior 1	\$170
Staff 2	\$145
Staff 1	\$120

II. The City will compensate Consultant for the services performed upon submission of a valid invoice. Each invoice shall be formatted as follows, with detailed listing of charges to be made available upon request:

- A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

III. The total compensation for the services shall not exceed the Contract Sum as provided in Section 2.1 of this Agreement.

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I. Consultant shall perform all services timely and in accordance with any deadlines required by the City or as directed by the Contract Officer.**

AGENDA ITEM 7

City of Bell Agenda Report

DATE: April 22, 2026

TO: Mayor and Members of the City Council

FROM: Michael L. Antwine II, City Manager
Javier Ochiqui, Assistant to the City Manager/Interim Community Development Director

APPROVED: Michael L. Antwine II (e-signature)

BY: _____
Michael L. Antwine II, City Manager

SUBJECT: Approval of a Purchase and Sale Agreement between the City of Bell and Muhammad Khalil and Cecilia Khalil for certain real property located at 6624 Flora Avenue.

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt Resolution 2026-20 titled:

A RESOLUTION OF THE CITY COUNCIL OF THE OF THE CITY OF BELL, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT WITH MUHAMMAD KHALI AND CECILIA KHALIL FOR BELL COMMUNITY HOUSING AUTHORITY PROPERTY LOCATED AT 6624 FLORA AVENUE IN THE CITY OF BELL

BACKGROUND:

The City has utilized the services of the Kosmont Companies to assist with the city with compliance with and implementation of the Surplus Land Act.

This is a Bell Community Housing Authority owned certain property that is approximately 11 units of multi-family housing in a R3 (Multi-family Residential Zone) and was identified by staff as ideal for the continuation of residential housing and affordability within the City.

As part of the Surplus Land Act (SLA) process, this NOA was sent to an extensive list of housing advocates registered with the California Department of Housing and Community Development (HCD). Per the Surplus Land Act, all city-owned property not deemed except must be made available to housing advocates before any other development plans are entertained.

DISCUSSION:

The city received numerous inquiries on the property; however, there were four (4) valid proposals from various buyers ranging from \$2.2 million to \$2.6 million. In April 2026, staff received directions to proceed with the offer and negotiate the terms and conditions of a Purchase and Sale Agreement with Muhammad Khalil and Cecilia Khalil. The selected buyer submitted the highest offer of \$2,600,000. The buyer's purchase offer was based on certain assumptions related

to the total number of units would remain and the property would be sold as-is.

FISCAL IMPACT:

The proposed purchase price for the property is \$2,600,000 million dollars for which the funds would be deposited into the Bell Community Housing Authority Fund.

ATTACHMENTS:

1. Purchase and Sale Agreement
2. Resolution No. 2026-20



CALIFORNIA ASSOCIATION OF REALTORS®

ADDENDUM (C.A.R. Form ADM, Revised 4/12)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the: [] Residential Purchase Agreement, [] Manufactured Home Purchase Agreement, [] Business Purchase Agreement, [] Residential Lease or Month-to-Month Rental Agreement, [] Vacant Land Purchase Agreement, [] Residential Income Property Purchase Agreement, [x] Commercial Property Purchase Agreement, [] Other

dated March 10., 2026, on property known as 6624 Flora Avenue, Bell, CA.

in which Mohamed Ali and Cecilia Khalil is referred to as ("Buyer/Tenant") and is referred to as ("Seller/Landlord").

1. Re: Paragraph 3 E1. There is to be no Loan to Value Contingency of 75%. Buyer may secure a loan of 75% or less. Buyer agrees to increase the Down Payment for any difference in the final Loan to Value should it be for less than 75%.
2 Property is sold 'as is'.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date 4/9/2026

Buyer/Tenant Seller/Landlord Michael L. Antwine II City Manager/Executive D

Buyer/Tenant Seller/Landlord Signed by: Michael L. Antwine II 315212E0D0284E2

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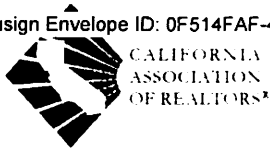
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ADM REVISED 4/12 (PAGE 1 OF 1)

Reviewed by Date



ADDENDUM (ADM PAGE 1 OF 1)



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)
(C.A.R. Form AD, Revised 12/24)

(If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code §§ 2079.13(j), (k), and (l).

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations

To the Seller: A Fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.
To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. This includes a Buyer's agent under a buyer-broker representation agreement with the Buyer. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.
To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salespersons and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect their own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation.

Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of §§ 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully.

Note: Real estate broker commissions are not set by law and are fully negotiable.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE SECOND PAGE.

Buyer Seller Landlord Tenant Mohamad Ali Khalil Mohamad Ali Khalil Date 03/27/2026
 Buyer Seller Landlord Tenant Cecilia Khalil Cecilia Khalil Date 03/27/2026

Agent Century 21 A Better Service Realty DRE Lic. # 01206776
 By George Valencia Real Estate Broker (Firm) George Valencia DRE Lic. # 02083024 Date 03/27/2026
 (Salesperson or Broker-Associate, if any)

AD REVISED 12/24 (PAGE 1 OF 2)



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 1 OF 2)

2079.13. As used in this section and §§ 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings: (a) "Agent" means a person acting under provisions of Title 9 (commencing with § 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with § 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. (b) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes a vendee or lessee of real property. (c) "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with § 1940) of Title 5, (3) a mobilehome, as defined in § 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in § 799.29. (d) "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a written contract between a seller of real property and an agent by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (f) "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of § 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in § 13007 of the Health and Safety Code, or a mobilehome as defined in § 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in § 10131.5 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction and includes a listing or an offer to purchase. (l) "Single-family residential property" or "single-family residential real property" means any of the following: (1) Real property improved with one to four dwelling units, including a leasehold exceeding one year's duration, (2) A unit in a residential stock cooperative, condominium, or planned unit development, (3) A mobilehome or manufactured home when offered for sale or sold through a real estate broker pursuant to § 10131.6 of the Business and Professions Code. (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of § 2985, and transactions for the creation of a leasehold exceeding one year's duration. (n) "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. (o) "Buyer's agent" means an agent who represents a buyer in a real property transaction. (p) "Buyer-broker representation agreement" means a written contract between a buyer of real property and a buyer's agent by which the buyer's agent has been authorized by the buyer to provide services set forth in subdivision (a) of § 10131 of the Business and Professions Code for or on behalf of the buyer for which a real estate license is required pursuant to the terms of the contract.

2079.14. (a) A copy of the disclosure form specified in § 2079.16 shall be provided in a real property transaction as follows: (1) The seller's agent, if any, shall provide the disclosure form to the seller before entering into a listing agreement. (2) The buyer's agent shall provide the disclosure to the buyer as soon as practicable before the execution of a buyer-broker representation agreement and execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer. (b) The agent providing the disclosure form specified in § 2079.16 shall obtain a signed acknowledgment of receipt from the buyer or seller except as provided in § 2079.15.

2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to § 2079.14, the agent shall set forth sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17(a) As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller. (c) The confirmation required by subdivisions (a) and (b) shall be in the following form:

Seller's Brokerage Firm _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is the broker of (check one) the seller, or both the buyer and seller. (dual agent)
Seller's Agent _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is (check one) the Seller's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)
Buyer's Brokerage Firm _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is the broker of (check one): the buyer, or both the buyer and seller. (dual agent)
Buyer's Agent _____ DO NOT COMPLETE. SAMPLE ONLY _____ License Number _____
Is (check one) the Buyer's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by § 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 (Repealed pursuant to AB-1289)

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of § 2079.14 and § 2079.17 are complied with.

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. (b) A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. (c) "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. (d) This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

2079.23 (a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship. (b) A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.





COMMERCIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form CPA, Revised 12/25)

Date Prepared: March 10, 2026

1. OFFER:

- A. **THIS IS AN OFFER FROM** Mohamad Ali Khalil, Cecilia Khalil ("Buyer").
 Individual(s), A Corporation, A Partnership, An LLC, Other _____
- B. **THE PROPERTY** to be acquired is 6624 Flora Ave, situated in Bell (City), Los Angeles (County), California, 90201 (Zip Code), Assessor's Parcel No(s). 6325-016-900 ("Property").
 (Postal/Mailing address may be different from city jurisdiction. Buyer is advised to investigate.)
- C. **THE TERMS OF THE PURCHASE ARE SPECIFIED BELOW AND ON THE FOLLOWING PAGES.**
- D. Buyer and Seller are referred to herein as the "Parties." Brokers and Agents are not Parties to this Agreement.

2. AGENCY:

- A. **DISCLOSURE:** The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationship" (C.A.R. Form AD) if represented by a real estate licensee. Buyer's Agent is not legally required to give to Seller's Agent the AD form Signed by Buyer. Seller's Agent is not legally obligated to give to Buyer's Agent the AD form Signed by Seller.
- B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction.
- Seller's Brokerage Firm** Sperry Commercial License Number 01232786
 Is the broker of (check one): the Seller; or both the Buyer and Seller (Dual Agent).
Seller's Agent Luis Vazquez License Number 00841513
 Is (check one): the Seller's Agent (Salesperson or broker associate); or both the Buyer's and Seller's Agent (Dual Agent).
- Buyer's Brokerage Firm** Century 21 A Better Service Realty License Number 01206776
 Is the broker of (check one): the Buyer; or both the Buyer and Seller (Dual Agent).
Buyer's Agent George Valencia License Number 02083024
 Is (check one): the Buyer's Agent (Salesperson or broker associate); or both the Buyer's and Seller's Agent (Dual Agent).
- C. More than one Brokerage represents Seller, Buyer. See, Additional Broker Acknowledgement (C.A.R. Form ABA).
- D. **POTENTIALLY COMPETING BUYERS AND SELLERS:** The Parties each acknowledge receipt of a "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. TERMS OF PURCHASE AND ALLOCATION OF COSTS: The items in this paragraph are contractual terms of the Agreement. Referenced paragraphs provide further explanation. This form is 17 pages. The Parties are advised to read all 17 pages.

Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
A	5, 5B (cash)	Purchase Price \$ <u>2,600,000.00</u>	<input type="checkbox"/> All Cash
B		Close Of Escrow (COE) <input checked="" type="checkbox"/> <u>60</u> Days after Acceptance OR <input type="checkbox"/> on _____ (date)	
C	39A	Expiration of Offer 3 calendar days after all Buyer Signature(s) or <u>04/10/2026</u> (date) at 5PM or <input type="checkbox"/> AM/ <input type="checkbox"/> PM	
D(1)	5A(1)	Initial Deposit Amount \$ <u>78,000.00</u> (<u>3.00</u> % of purchase price) (% number above is for calculation purposes and is not a contractual term)	within 3 (or _____) business days after Acceptance by wire transfer OR <input type="checkbox"/>
D(2)	5A(2)	<input type="checkbox"/> Increased Deposit See attached Increased Deposit Addendum (C.A.R. Form IDA)	
E(1)	5C(1)	Loan Amount(s): First Interest Rate \$ <u>1,950,000.00</u> (<u>75.00</u> % of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate, • not to exceed _____ % Points • Buyer to pay up to _____ points to obtain rate above	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Assumed Financing <input type="checkbox"/> Subject To Financing <input type="checkbox"/> Other: _____
E(2)	5C(2)	Additional Financed Amount Interest Rate \$ _____ (_____ % of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate • not to exceed _____ % Points • Buyer to pay up to _____ points to obtain rate above	Conventional or, if checked, <input type="checkbox"/> Seller Financing <input type="checkbox"/> Assumed Financing <input type="checkbox"/> Subject To Financing <input type="checkbox"/> Other: _____
E(3)	7A	Occupancy Type Investment OR <input type="checkbox"/>	
F	5D	Balance of Down Payment \$ <u>572,000.00</u>	
		PURCHASE PRICE TOTAL \$ <u>2,600,000.00</u>	
G SELLER PAYMENT TO COVER BUYER EXPENSES AND COSTS			
G(1)	5E	<input type="checkbox"/> Seller Credit to Buyer \$ _____	For closing costs
G(2)	ADDITIONAL SELLER CREDIT TERMS (does not include buyer broker compensation): _____		

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CPA REVISED 12/25 (PAGE 1 OF 17)

Buyer's Initials

MAK

CK

Seller's Initials

Initial MAK



COMMERCIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (CPA PAGE 1 OF 17)

G(3)	21A	<input checked="" type="checkbox"/> Seller Payment for Buyer's Obligation to compensate Buyer's Broker	Seller agrees to pay to Buyer's Broker, out of the transaction proceeds, 3.000 % of the final purchase price AND, if applicable \$ _____ OR, 2.5% if checked <input type="checkbox"/> \$ _____	<i>Initial</i> MjAli
H(1)	5B	Verification of All Cash (sufficient funds)	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
H(2)	6A	Verification of Down Payment and Closing Costs	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	
H(3)	6B	Verification of Loan Application	Attached to the offer or <input type="checkbox"/> 3 (or _____) Days after Acceptance	<input type="checkbox"/> Prequalification <input type="checkbox"/> Preapproval
I	Intentionally Left Blank			
J	19	Final Verification of Condition	5 (or _____) Days prior to COE	
K	26	Assignment Request	17 (or _____) Days after Acceptance	
L	CONTINGENCIES		TIME TO REMOVE CONTINGENCIES	CONTINGENCY REMOVED
L(1)	8A	Loan(s)	17 (or _____) Days after Acceptance	<input type="checkbox"/> No loan contingency
L(2)	8B	Appraisal: Appraisal contingency based upon appraised value at a minimum of purchase price or <input type="checkbox"/> \$ _____	17 (or _____) Days after Acceptance	<input type="checkbox"/> No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.
L(3)	8C, 15	Investigation of Property Informational Access to Property Buyer's right to access the Property for informational purposes only is NOT a contingency and does NOT create additional cancellation rights for Buyer.	17 (or _____) Days after Acceptance 17 (or _____) Days after Acceptance	REMOVAL OR WAIVER OF CONTINGENCY: Any contingency in L(1)-L(8) may be removed or waived by checking the applicable box above or attaching a Contingency Removal (C.A.R. Form CR-B) and checking the applicable box therein. Removal or Waiver at time of offer is against Agent advice. See paragraph 8l. <input type="checkbox"/> CR attached
L(4)	8D	Insurance	17 (or _____) Days after Acceptance	
L(5)	8E, 17A	Review of Seller Documents	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
L(6)	8F, 16A	Preliminary ("Title") Report	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
L(7)	8G, 11D	Common Interest Disclosures Per by Civil Code § 4525 or this Agreement	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
L(8)	8H, 9B(6)	Review of leased or liened items (E.g. solar panels or propane tanks)	17 (or _____) Days after Acceptance, or 5 Days after Delivery, whichever is later	
L(9)	8K	Sale of Buyer's Property Sale of Buyer's property is not a contingency, UNLESS checked here: <input type="checkbox"/> C.A.R. Form COP attached		
M	Possession		Time for Performance	Additional Terms
M(1)		Vacant Units; Tenant Occupied Units being delivered subject to tenant rights	Upon notice of recordation On COE date	<input type="checkbox"/> Tenant Occupied Unit(s) to be delivered vacant (#s _____)
M(2)	7D	Seller Occupied Units to be delivered vacant	Upon Notice of recordation, OR <input type="checkbox"/> 6 PM or <input type="checkbox"/> AM/ <input type="checkbox"/> PM COE date or, if checked below, <input type="checkbox"/> _____ days after COE (29 or fewer days) <input type="checkbox"/> _____ days after COE (30 or more days)	C.A.R. Form SIP attached if 29 or fewer days. C.A.R. Form CL attached if 30 or more days.
N	Documents/Fees/Compliance		Time for Performance	
N(1)	17A	Seller Delivery of Documents	7 (or _____) Days after Acceptance	
N(2)	22B	Sign and return Escrow Holder General Provisions, Supplemental Instructions	5 (or _____) Days after Delivery	
N(3)	11D(2)	Time to pay fees for ordering HOA Documents	3 (or _____) Days after Acceptance	
N(4)	10B(1)	Install smoke alarm(s), CO detector(s), water heater bracing	7 (or _____) Days after Acceptance	
N(5)	31	Evidence of representative authority	3 Days after Acceptance	
O	Intentionally Left Blank			
P	Items Included and Excluded			
P(1)	9	Items Included - All items specified in Paragraph 9B are included and the following, if checked:		
		<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____
P(2)	9	Excluded Items:		
		<input type="checkbox"/> _____	<input type="checkbox"/> _____	<input type="checkbox"/> _____



Allocation of Costs					
Q	Para #	Item Description	Who Pays (if Both is checked, cost to be split equally unless Otherwise Agreed)	Additional Terms	
Q(1)	10A	Natural Hazard Zone Disclosure Report, including tax information	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both <u>MyNHD - Maryjane Chaidez</u>	<input checked="" type="checkbox"/> Environmental <input type="checkbox"/> Other _____	
			<input type="checkbox"/> Provided by: <u>MyNHD - Maryjane Chaidez</u>		
Q(2)	15B(1)(D)	Environmental Survey	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both <u>If applicable.</u>		
Q(3)		Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(4)		Report	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(5)	10B(1)	Smoke alarms, CO detectors, water heater bracing	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(6)	10A, 10B(2)	Government Required Point of Sale inspections, reports	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(7)	10B(2)	Government Required Point of Sale corrective/remedial actions	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(8)	22B	Escrow Fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both <input checked="" type="checkbox"/> Each to pay their own fees		Escrow Holder: <u>Sellers choice.</u>
Q(9)	16	Owner's title insurance policy	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both		Title Company (If different from Escrow Holder): <u>Sellers choice.</u>
Q(10)		Buyer's Lender title insurance policy	Buyer	Unless Otherwise Agreed, Buyer shall purchase any title insurance policy insuring Buyer's lender.	
Q(11)		County transfer tax, fees	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(12)		City transfer tax, fees	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both		
Q(13)	11D(2)	HOA fee for preparing disclosures	Seller		
Q(14)		HOA certification fee	Buyer		
Q(15)		HOA transfer fees	<input type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both		Unless Otherwise Agreed, Seller shall pay for separate HOA move-out fee and Buyer shall pay for separate move-in fee. Applies if separately billed or itemized with cost in transfer fee.
Q(16)		Private transfer fees	Seller, or if checked, <input type="checkbox"/> Buyer <input type="checkbox"/> Both		
Q(17)	10B(4)	Installation of safety features, required by law	<input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Seller <input type="checkbox"/> Both <u>If applicable.</u>		
Q(18)		<u>\$599.00</u> fees or costs	<input checked="" type="checkbox"/> Buyer <input type="checkbox"/> Seller <input type="checkbox"/> Both <u>TC Fee.</u>		
R	12	Additional Tenancy Documents: <input checked="" type="checkbox"/> Income and Expense Statements <input checked="" type="checkbox"/> Tenant Estoppel Certificate			
S	OTHER TERMS: _____				

4. PROPERTY ADDENDA AND ADVISORIES: (check all that apply)

A. PROPERTY TYPE ADDENDA: This Agreement is subject to the terms contained in the Addenda checked below:

- Probate Agreement Purchase Addendum (C.A.R. Form PA-PA) Residential Units Purchase Addendum (RU-PA)
 Other _____

B. OTHER ADDENDA: This Agreement is subject to the terms contained in the Addenda checked below:

- Addendum # _____ (C.A.R. Form ADM) Assumed Financing Addendum (C.A.R. Form AFA)
 Back Up Offer Addendum (C.A.R. Form BUO) Short Sale Addendum (C.A.R. Form SSA)
 Court Confirmation Addendum (C.A.R. Form CCA) Seller Intent to Exchange Addendum (C.A.R. Form SXA)
 Septic, Well, Property Monument and Propane Addendum (C.A.R. Form SWPI)
 Buyer Intent to Exchange Addendum (C.A.R. Form BXA)
 Other _____

C. BUYER AND SELLER ADVISORIES: (Note: All Advisories below are provided for reference purposes only and are not intended to be incorporated into this Agreement.)

- Buyer's Investigation Advisory (C.A.R. Form BIA) Fair Housing and Discrimination Advisory (C.A.R. Form FHDA)
 Wire Fraud Advisory (C.A.R. Form WFA) Cal. Consumer Privacy Act Advisory (C.A.R. Form CCPA)
 (Parties may also receive a privacy disclosure from their own Agent.)
 Wildfire Disaster Advisory (C.A.R. Form WFDA) Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
 Trust Advisory (C.A.R. Form TA) Probate Advisory (C.A.R. Form PA)
 REO Advisory (C.A.R. Form REO) Other: _____
 Other: _____

MAK

CK

MA/All



5. **ADDITIONAL TERMS AFFECTING PURCHASE PRICE:** Buyer represents that funds will be good when deposited with Escrow Holder.
- A. DEPOSIT:**
- (1) **INITIAL DEPOSIT:** Buyer shall deliver deposit directly to Escrow Holder. If a method other than wire transfer is specified in paragraph 3D(1) and such method is unacceptable to Escrow Holder, then upon notice from Escrow Holder, delivery shall be by wire transfer.
 - (2) **RETENTION OF DEPOSIT:** Paragraph 36, if initialed by all Parties or otherwise incorporated into this Agreement, specifies a remedy for Buyer's default. Buyer and Seller are advised to consult with a qualified California real estate attorney: (i) Before adding any other clause specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase. Any such clause shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code; and (ii) Regarding possible liability and remedies if Buyer fails to deliver the deposit.
- B. ALL CASH OFFER:** If an all cash offer is specified in paragraph 3A, no loan is needed to purchase the Property. This Agreement is NOT contingent on Buyer obtaining a loan. Buyer shall, within the time specified in paragraph 3H(1), Deliver written verification of funds sufficient for the purchase price and closing costs.
- C. LOAN(S):**
- (1) **FIRST LOAN:** This loan will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), Subject To Financing, Assumed Financing, or Other is checked in paragraph 3E(1).
 - (2) **ADDITIONAL FINANCED AMOUNT:** If an additional financed amount is specified in paragraph 3E(2), that amount will provide for conventional financing **UNLESS** Seller Financing (C.A.R. Form SFA), Subject To Financing, Assumed Financing, or Other is checked in paragraph 3E(2).
 - (3) **BUYER'S LOAN STATUS:** Buyer authorizes Seller and Seller's Authorized Agent to contact Buyer's lender(s) to determine the status of any Buyer's loan specified in paragraph 3E, or any alternate loan Buyer pursues whether or not a contingency of this Agreement. If the contact information for Buyer's lender(s) is different from that provided under the terms of paragraph 6B, Buyer shall Deliver the updated contact information within 1 Day of Seller's request.
 - (4) **ASSUMED OR SUBJECT TO FINANCING:** Seller represents that Seller is not delinquent on any payments due on any loans. If the Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.
 - (5) Buyer shall, within the time specified in paragraph 3E(1), Deliver to Seller written notice (C.A.R. Form RR or AEA) (i) of any lender requirements that Buyer requests Seller to pay for or otherwise correct or (ii) that there are no lender requirements.
- D. BALANCE OF PURCHASE PRICE (DOWN PAYMENT, paragraph 3F) (including all-cash funds)** to be deposited with Escrow Holder pursuant to Escrow Holder instructions.
- E. LIMITS ON CREDITS TO BUYER:** Any credit to Buyer as specified in paragraph 3G(1) or Otherwise Agreed, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender, if any, and made at Close Of Escrow. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit from Seller shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.
6. **ADDITIONAL FINANCING TERMS:**
- A. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Written verification of Buyer's down payment and closing costs, within the time specified in paragraph 3H(2) may be made by Buyer or Buyer's lender or loan broker pursuant to paragraph 6B.
 - B. VERIFICATION OF LOAN APPLICATIONS:** Buyer shall Deliver to Seller, within the time specified in paragraph 3H(3) a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3E. If any loan specified in paragraph 3E is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate.
 - C. BUYER STATED FINANCING:** Seller is relying on Buyer's representation of the type of financing specified (including, but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price, and to sell to Buyer in reliance on Buyer's specified financing. Buyer shall pursue the financing specified in this Agreement, even if Buyer also elects to pursue an alternative form of financing. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in this Agreement but shall not interfere with closing at the purchase price on the COE date (paragraph 3B) even if based upon alternate financing. Buyer's inability to obtain alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.
7. **CLOSING AND POSSESSION:**
- A. OCCUPANCY:** Buyer intends to occupy the Property as indicated in paragraph 3E(3). Occupancy may impact available financing.
 - B. CONDITION OF PROPERTY ON CLOSING:**
Unless Otherwise Agreed: (i) the Property shall be delivered "As-Is" in its PRESENT physical condition as of the date of Acceptance; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; (iii) Except as specified in paragraph 9C Seller is not responsible to repair any holes left after the removal of any wall hangings (such as pictures and mirrors), brackets, nails or other fastening devices; and (iv) all debris and personal property not included in the sale shall be removed by Close Of Escrow or at the time possession is delivered to Buyer, if not on the same date. If items are not removed when possession is delivered to Buyer, all items shall be deemed abandoned. Buyer, after first Delivering to Seller written notice to remove the items within 3 Days, may pay to have such items removed or disposed of and may bring Legal Action, as per this Agreement, to receive reasonable costs from Seller.
 - C. Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller and Agents may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had all required permits issued and/or finalized.**
 - D. SELLER REMAINING IN POSSESSION AFTER CLOSE OF ESCROW:** If Seller has the right to remain in possession after Close Of Escrow pursuant to paragraph 3M(2) or as Otherwise Agreed, (i) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; (ii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan; and (iii) consult with a qualified California real estate attorney where the Property is located to determine the ongoing rights and responsibilities of both Buyer and Seller with regard to each other, including possible tenant rights and what type of written agreement to use to document the relationship between the Parties.
 - E. At Close Of Escrow:** (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale and (ii) Seller shall Deliver to Buyer available Copies of any such warranties. Agents cannot and will not determine the assignability of any warranties.



F. Seller shall on Close Of Escrow unless Otherwise Agreed and even if Seller remains in possession provide keys passwords, codes and/or means to operate all locks mailboxes security systems alarms home automation systems intranet and Internet-connected devices included in the purchase price garage door openers and all items included in either paragraph 3P or paragraph 9. If the Property is a condominium or located in a common interest development, Seller shall be responsible for securing or providing any such items for Association amenities, facilities, and access. Buyer may be required to pay a deposit to the Owners' Association ("HOA") to obtain keys and accessible HOA facilities.

8. CONTINGENCIES AND REMOVAL OF CONTINGENCIES:

A. LOAN(S):

- (1) This Agreement is, unless otherwise specified in paragraph 3L(1) or an attached CR form, contingent upon Buyer obtaining the loan(s) specified. If contingent, Buyer shall act diligently and in good faith to obtain the designated loan(s). If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan and Buyer is able to satisfy lender's non-appraisal conditions for closing the loan.
- (2) Buyer is advised to investigate the insurability of the Property as early as possible as this may be a requirement for lending. Buyer's ability to obtain insurance for the Property including fire insurance is part of Buyer's Insurance contingency. Failure of Buyer to obtain insurance may justify cancellation based on the Insurance contingency but not the loan contingency.
- (3) Buyer's contractual obligations regarding deposit, balance of down payment and closing costs are not contingencies of this Agreement, unless Otherwise Agreed.
- (4) If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.
- (5) **NO LOAN CONTINGENCY:** If "No loan contingency" is checked in paragraph 3L(1), obtaining any loan specified is NOT a contingency of this Agreement. If Buyer does not obtain the loan specified and as a result is unable to purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

B. APPRAISAL:

- (1) This Agreement is, unless otherwise specified in paragraph 3L(2) or an attached CR form, contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the amount specified in paragraph 3L(2), without requiring repairs or improvements to the Property. Appraisals are often a reliable source to verify square footage of the subject Property. However, the ability to cancel based on the measurements provided in an appraisal falls within the Investigation of Property contingency. The appraisal contingency is solely limited to the value determined by the appraisal. For any cancellation based upon this appraisal contingency, Buyer shall Deliver a Copy of the written appraisal to Seller, upon request by Seller.
- (2) **NO APPRAISAL CONTINGENCY:** If "No appraisal contingency" is checked in paragraph 3L(2), then Buyer may not use the loan contingency specified in paragraph 3L(1) to cancel this Agreement if the sole reason for not obtaining the loan is that the appraisal relied upon by Buyer's lender values the property at an amount less than that specified in paragraph 3L(2). If Buyer is unable to obtain the loan specified solely for this reason, Seller may be entitled to Buyer's deposit or other legal remedies.
- (3) **FAIR APPRAISAL ACT NOTICE:**
 - (A) Any appraisal of the property is required to be unbiased, objective, and not influenced by improper or illegal considerations, including, but not limited to, any of the following: race, color, religion (including religious dress, grooming practices, and related conditions), and gender identity and gender expression), sexual orientation, marital status, medical condition, military or veteran status, national origin (including language use and possession of a driver's license issued to persons unable to provide their presence in the United States is authorized under federal law), source of income, ancestry, disability (mental and physical, including, but not limited to, HIV/AIDS status, cancer diagnosis, and genetic characteristics), genetic information, or age.
 - (B) If a buyer or seller believes that the appraisal has been influenced by any of the above factors, the seller or buyer can report this information to the lender or mortgage broker that retained the appraiser and may also file a complaint with the Bureau of Real Estate Appraisers at <https://www2.brea.ca.gov/complaint/> or call (915) 552-9000 for further information on how to file a complaint.

C. **INVESTIGATION OF PROPERTY:** This Agreement is, as specified in paragraph 3L(3), contingent upon Buyer's acceptance of the condition of, and any other matter affecting, the Property.

D. **INSURANCE:** This Agreement is, as specified in paragraph 3L(4), contingent upon Buyer's assessment of the availability and approval of the cost for any insurance policy desired under this Agreement.

E. **REVIEW OF SELLER DOCUMENTS:** This Agreement is, as specified in paragraph 3L(5), contingent upon Buyer's review and approval of Seller's documents required in paragraph 17A.

F. TITLE:

- (1) This Agreement is, as specified in paragraph 3L(6), contingent upon Buyer's ability to obtain the title policy provided for in paragraph 16G and on Buyer's review of a current Preliminary Report and items that are disclosed or observable even if not on record or not specified in the Preliminary Report, and satisfying Buyer regarding the current status of title. Buyer is advised to review all underlying documents and other matters affecting title including, but not limited to, any documents or deeds referenced in the Preliminary Report and any plotted easements.
- (2) Buyer has 5 Days after receipt to review a revised Preliminary Report, if any, furnished by the Title Company and cancel the transaction if the revised Preliminary Report reveals material or substantial deviations from a previously provided Preliminary Report.

G. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE):** This Agreement is, as specified in paragraph 3L(7), contingent upon Buyer's review and approval of Common Interest Disclosures required by Civil Code § 4525 and under paragraph 11D ("CI Disclosures").

H. **BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY (IF APPLICABLE):** Buyer's review of and ability and willingness to assume any lease, maintenance agreement or other ongoing financial obligation, or to accept the Property subject to any lien, disclosed pursuant to paragraph 9B(6) is, as specified in paragraph 3L(8), a contingency of this Agreement. Any assumption of the lease shall not require any financial obligation or contribution by Seller. Seller, after first Delivering a Notice to Buyer to Perform, may cancel this Agreement if Buyer, by the time specified in paragraph 3L(8), refuses or is unable to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or liened items.

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- I. **REMOVAL OR WAIVER OF CONTINGENCIES WITH OFFER:** Buyer shall have no obligation to remove a contractual contingency unless Seller has provided all required documents, reports, disclosures, and information pertaining to that contingency. If Buyer does remove a contingency without first receiving all required information from Seller Buyer is relinquishing any contractual rights that apply to that contingency. If Buyer removes or waives any contingencies without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Agent.
- J. **REMOVAL OF CONTINGENCY OR CANCELLATION:**
 - (1) For any contingency specified in paragraph 3L, 8, or elsewhere. Buyer shall, within the applicable period specified, remove the contingency or cancel this Agreement.
 - (2) For the contingencies for review of Seller Documents Preliminary Report, and Condominium/Planned Development Disclosures Buyer shall within the time specified in paragraph 3L or 5 Days after Delivery of the applicable Seller Documents Preliminary Report, or CI Disclosures whichever occurs later remove the applicable contingency in writing or cancel this Agreement.
 - (3) If Buyer does not remove a contingency within the time specified Seller after first giving Buyer a Notice to Buyer to Perform (C.A.R. Form NBP) shall have the right to cancel this Agreement.
- K. **SALE OF BUYER'S PROPERTY:** This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer unless the Sale of Buyer's Property (C.A.R. Form COP) is checked as a contingency of this Agreement in paragraph 3L(9).
- 9. **ITEMS INCLUDED IN AND EXCLUDED FROM SALE:**
 - A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the Multiple Listing Service (MLS), flyers, marketing materials, or disclosures are NOT included in the purchase price or excluded from the sale unless specified in this paragraph or paragraph 3P or as Otherwise Agreed. Any items included herein are components of the Property and are not intended to affect the price. All items are transferred without Seller warranty.
 - B. **ITEMS INCLUDED IN SALE:**
 - (1) All EXISTING fixtures and fittings that are attached to the Property;
 - (2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances and appliances for which special openings or encasements have been made (whether or not included in paragraph 3P), window and door screens, awnings, shutters, window coverings (which includes blinds, curtains, drapery, shutters or any other materials that cover any portion of the window) and any associated hardware and rods, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment (including but not limited to, any cleaning equipment such as motorized/automatic pool cleaners, pool heaters, pool nets, pool covers), garage door openers/remote controls, mailbox, in-ground landscaping, water features and fountains, water softeners, water purifiers, light bulbs (including smart bulbs) and all items specified as included in paragraph 3P, if currently existing and owned by Seller at the time of Acceptance.
Note: If Seller does not intend to include any item specified as being included above because it is not owned by Seller, whether placed on the Property by Agent, stager, tenant, or other third party, the item should be listed as being excluded in paragraph 3P(2) or excluded by Seller in a counter offer.
 - (3) Security System includes any devices, hardware, software, or control units used to monitor and secure the Property, including but not limited to, any motion detectors, door or window alarms, and any other equipment utilized for such purpose. If checked in paragraph 3P, all such items are included in the sale, whether hard wired or not.
 - (4) Home Automation (Smart Home Features) includes any electronic devices and features including, but not limited to, thermostat controls, kitchen appliances not otherwise excluded, and lighting systems, that are connected (hard wired or wirelessly) to a control unit, computer, tablet, phone, or other "smart" device. Any Smart Home devices and features that are physically affixed to the real property, and also existing light bulbs, are included in the sale. Buyer is advised to use paragraph 3P(1) or an addendum to address more directly specific items to be included. Seller is advised to use a counter offer to address more directly any items to be excluded.
 - (5) Non-Dedicated Devices. All smart home and security system control devices are included in the sale, except for any non-dedicated personal computer, tablet, or phone used to control such features. Buyer acknowledges that a separate device and access to wifi or Internet may be required to operate some smart home features and Buyer may have to obtain such device after Close Of Escrow. Seller shall de-list any devices from any personal accounts and shall cooperate with any transfer of services to Buyer. Buyer is advised to change all passwords and ensure the security of any smart home features.
 - (6) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller, within the time specified in paragraph 3N(1), shall (i) disclose to Buyer if any item or system specified in paragraph 3P or 9B or otherwise included in the sale is leased, or not owned by Seller, or is subject to any maintenance or other ongoing financial obligation, or specifically subject to a lien or other encumbrance or loan, and (ii) Deliver to Buyer all written materials (such as lease, warranty, financing, etc.) concerning any such item.
 - (7) Seller represents that all items included in the purchase price unless Otherwise Agreed, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to paragraph 9B(6), and (ii) are transferred without Seller warranty regardless of value. Seller shall cooperate with the identification of any software or applications and Buyer's efforts to transfer any services needed to operate any Smart Home Features or other items included in this Agreement, including, but not limited to, utilities or security systems.
 - (8) A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer within the time specified in paragraph 3N(1).
 - (9) Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition.
 - (10) As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and insurance proceeds.
 - C. **ITEMS EXCLUDED FROM SALE:** Unless Otherwise Agreed, the following items are excluded from sale: (i) All items specified in paragraph 3P(2); (ii) audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; (iii) furniture and other items secured to the Property for earthquake or safety purposes. Unless otherwise specified in paragraph 3P(1), brackets attached to walls, floors or ceilings for any such component, furniture or item will be removed and holes or other damage shall be repaired, but not painted.



10. ALLOCATION OF COSTS:

- A. **INSPECTIONS, REPORTS, TESTS, AND CERTIFICATES:** Paragraphs 3Q(1), (2), (3), and (4) only determine who is to pay for the inspection report, test, certificate or service mentioned. It does not determine who is to pay for any work recommended or identified in any such document. Agreements for payment of required work should be specified elsewhere in paragraph 3Q, or 3S, or in a separate agreement (such as C.A.R. Forms RR, RRRR, ADM or AEA). Any reports in these paragraphs shall be Delivered in the time specified in Paragraph 3N(1).
- B. **GOVERNMENT REQUIREMENTS AND CORRECTIVE OR REMEDIAL ACTIONS:**
 - (1) **LEGALLY REQUIRED INSTALLATIONS AND PROPERTY IMPROVEMENTS:** Any required installation of smoke alarm or carbon monoxide device(s) or securing of water heater shall be completed within the time specified in paragraph 3N(4) and paid by Party specified in paragraph 3Q(5). If Buyer is to pay for these items, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the repair or installation. Prior to Close Of Escrow, Seller shall Deliver to Buyer written statement(s) of compliance in accordance with any Law, unless Seller is exempt. If Seller is to pay for these items and does not fulfill Seller's obligation in the time specified, and Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for Buyer's costs.
 - (2) **POINT OF SALE REQUIREMENTS:**
 - (A) Point of sale inspections, reports and repairs refer to any such actions required to be completed before or after Close Of Escrow that are required in order to close under any Law and paid by the Party specified in paragraphs 3Q(6) and 3Q(7) and any such repair, shall be completed prior to final verification of Property, unless Otherwise Agreed. If Buyer agrees to pay for any portion of such repair, Buyer, shall (i) directly pay to the vendor completing the repair or (ii) provide an invoice to Escrow Holder, deposit funds into escrow sufficient to pay for Buyer's portion of such repair and request Escrow Holder pay the vendor completing the repair.
 - (B) Buyer shall be provided, within the time specified in paragraph 3N(1), unless Parties Otherwise Agree to another time period, a Copy of any required government-conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.
 - (3) **REINSPECTION FEES:** If any repair in paragraph 10B(1) is not completed within the time specified and the lender requires an additional inspection to be made, Seller shall be responsible for any corresponding reinspection fee. If Buyer incurs costs to comply with lender requirements concerning those items, Seller shall be responsible for those costs.
 - (4) **INSTALLATION OF SAFETY FEATURES:**
 - (A) The following installations shall be completed prior to final verification of condition unless Otherwise Agreed: (i) approved fire extinguisher(s), sprinkler(s), and hose(s), if required by law; and (ii) drain cover and anti-entrapment device or system meeting the minimum requirements permitted by the U.S. Consumer Products and Safety Commission for any pool or spa.
 - (B) If Buyer is to pay for these installations, Buyer, as instructed by Escrow Holder, shall deposit funds into escrow or directly to the vendor completing the installation.
 - (5) **INFORMATION AND ADVICE ON REQUIREMENTS:** Buyer and Seller are advised to seek information from a knowledgeable source regarding local and State mandates and whether they are point of sale requirements or requirements of ownership. Agents do not have expertise in this area and cannot ascertain all of the requirements or costs of compliance.

11. SELLER DISCLOSURES

- A. **WITHHOLDING TAXES:** Buyer and Seller hereby instruct Escrow Holder to withhold the applicable required amounts to comply with federal and California withholding Laws and forward such amounts to the Internal Revenue Service and Franchise Tax Board, respectively. However, no federal withholding is required if, prior to Close Of Escrow, Seller Delivers (i) to Buyer and Escrow Holder a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law (FIRPTA); OR (ii) to a qualified substitute (usually a title company or an independent escrow company) a fully completed affidavit (C.A.R. Form AS) sufficient to avoid withholding pursuant to federal withholding Law AND the qualified substitute Delivers to Buyer and Escrow Holder an affidavit signed under penalty of perjury (C.A.R. Form QS) that the qualified substitute has received the fully completed Seller's affidavit and the Seller states that no federal withholding is required; OR (iii) to Buyer other documentation satisfying the requirements under Internal Revenue Code § 1445 (FIRPTA). No withholding is required under California Law if prior to Close Of Escrow, Escrow Holder has received sufficient documentation from Seller that no withholding is required, and Buyer has been informed by Escrow Holder.
- B. **NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Website. (Neither Seller nor Agent are required to check this website. If Buyer wants further information, Agent recommends that Buyer obtain information from this website during Buyer's investigation contingency period. Agents do not have expertise in this area.)
- C. **NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in paragraph 3N(1) if required by Law (i) Deliver to Buyer the earthquake guide and environmental hazards booklet and for all residential property with 1-4 units and any manufactured or mobile home built before January 1, 1960, fully complete and Deliver the Residential Earthquake Risk Disclosure Statement; and (ii) even if exempt from the obligation to provide a NHD, disclose if the Property is located in a Special Flood Hazard Area, Potential Flooding (Inundation) Area, Very High Fire Hazard Zone, State Fire Responsibility Area, Earthquake Fault Zone, Seismic Hazard Zone, and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- D. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**
 - (1) Seller shall, within the time specified in paragraph 3N(1), disclose to Buyer whether the Property is a condominium or is located in a planned development, other common interest development, or otherwise subject to covenants, conditions, and restrictions (C.A.R. Form CSPQ).

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Buyer's Initials

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Seller's Initials

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COMMERCIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (CPA PAGE 7 OF 17)

- (2) If the Property is a condominium or is located in a planned development or other common interest development with a HOA, Seller shall, within the time specified in **paragraph 3N(3)**, order from, and pay any required fee as specified in **paragraph 3Q(13)** for the following items to the HOA (C.A.R. Form HOA-IR) unless Seller has otherwise Delivered to Buyer the most current version of any such document: (i) Copies of any documents required by Law (C.A.R. Form HOA-RS); (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; (v) the names and contact information of all HOAs governing the Property; (vi) pet restrictions; and (vii) smoking restrictions ("CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Seller shall, as directed by Escrow Holder, deposit funds into escrow or direct to HOA or management company to pay for any of the above.
- E. **SOLAR POWER SYSTEMS:** For properties with any solar panels or solar power systems, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer all known information about the solar panels or solar system. Seller shall use the Solar Advisory and Questionnaire (C.A.R. Form SOLAR).
- F. **WATER CONSERVING PLUMBING DEVICES:** Civil Code § 1101.5 requires all multi-family residential and commercial real property be equipped with water-conserving plumbing devices. Seller shall, within the time specified in **paragraph 3N(1)**, disclose in writing whether the property includes any noncompliant plumbing fixtures. Seller may use C.A.R. Form SPQ or ESD. See C.A.R. Form WCMD for more information.
- G. **SURVEY, PLANS, AND ENGINEERING DOCUMENTS:** Seller, within the time specified in **paragraph 3N(1)**, shall provide to Buyer, Copies of surveys, plans, specifications, and engineering documents, if any, prepared on Seller's behalf or in Seller's possession.
- H. **PERMITS:** Seller, within the time specified in **paragraph 3N(1)**, shall provide to Buyer, if in Seller's possession, copies of all permits and approvals, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.
- I. **STRUCTURAL MODIFICATIONS:** Seller, within the time specified in **paragraph 3N(1)**, shall in writing disclose to Buyer, known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.
- J. **GOVERNMENTAL COMPLIANCE:** Within the time specified in **paragraph 3N(1)**.
 - (1) Seller shall disclose to Buyer any improvements, additions, alterations, or repairs to the Property made by Seller, or known to Seller to have been made, without required governmental permits, final inspections, and approvals
 - (2) Seller shall disclose to Buyer if Seller has actual knowledge of any notice of violations of Law filed or issued against the Property.
- K. **VIOLATION NOTICES:** Within the time specified in **paragraph 3N(1)**, Seller shall disclose any notice of violations of any Law filed or issued against the Property and actually known to Seller
- L. **BALCONIES, EXTERIOR STAIRWAYS AND OTHER ELEVATED ELEMENTS:** For properties with any building containing 3 or more dwelling units with elevated balconies, stairways or other elements, Seller shall, within the time specified in **paragraph 3N(1)**, Deliver to Buyer the Wooden Balcony and Stairs Addendum (C.A.R. Form WBSA) and comply with its terms.
- M. **KNOWN MATERIAL FACTS:** Seller shall, within the time specified in **paragraph 3N(1)**, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including, but not limited to, known insurance claims within the past five years, or provide Buyer with permission to contact insurer to get such information (C.A.R. Form ARC), and make any and all other disclosures required by Law.
- N. **COMMERCIAL SELLER PROPERTY QUESTIONNAIRE:** Seller shall, within the time specified in **paragraph 3N(1)**, complete and provide Buyer with a Commercial Seller Property Questionnaire (C.A.R. Form CSPQ).
- O. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information, or representations previously provided to Buyer, Seller shall promptly Deliver a subsequent or amended disclosure or notice, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.**
- 12. **TENANCY RELATED DISCLOSURES:** Within the time specified in **paragraph 3N(1)**, and subject to Buyer's right of review, Seller shall disclose, make available or Deliver, as applicable, to Buyer, the following information
 - A. **RENTAL/SERVICE AGREEMENTS:** (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; (ii) A rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any rebate, concession, or other benefit, except as set forth in these documents. Seller represents that the documents to be furnished are those maintained in the ordinary and normal course of business.
 - B. **INCOME AND EXPENSE STATEMENTS:** If checked in **paragraph 3R**, the books and records for the Property, if any, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business and used by Seller in the computation of federal and state income tax returns.
 - C. **TENANT ESTOPPEL CERTIFICATES:** If checked in **paragraph 3R**, Tenant Estoppel Certificates (C.A.R. Form TEC). Tenant Estoppel Certificates shall be completed by Seller or Seller's agent and delivered to tenant(s) for tenant(s) to sign and acknowledge: (i) that tenant(s)' rental or lease agreements are unmodified and in full force and effect, (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii) stating the amount of any prepaid rent or security deposit. Seller shall exercise good faith to obtain tenant(s)' signature(s) but Seller cannot guarantee tenant(s)' cooperation. In the event Seller cannot obtain signed Tenant Estoppel Certificates within the time specified above, Seller shall notify Buyer and provide the unsigned one that was provided to tenant(s). If, after the time specified for Seller to Deliver the TEC to Buyer, any tenant(s) sign and return a TEC to Seller, Seller shall Deliver that TEC to Buyer.
 - D. **SELLER REPRESENTATIONS:** Unless otherwise disclosed under **paragraph 11**, **paragraph 12**, or under any disclosure Delivered to Buyer:
 - (1) Seller represents that Seller has no actual knowledge that any tenant(s): (i) has any current pending lawsuit(s), investigation(s), Inquiry(ies), action(s), or other proceeding(s) affecting the Property or the right to use and occupy it; (ii) has any unsatisfied mechanics or materialman lien(s) affecting the Property; and (iii) is the subject of a bankruptcy. If Seller receives any such notice, prior to Close Of Escrow, Seller shall immediately notify Buyer.
 - (2) Seller represents that no tenant is entitled to any rebate, concessions, or other benefit, except as set forth in the rental service agreements.
 - (3) Seller represents that the documents to be furnished are those maintained in the ordinary and normal course of business and the income and expense statements are and used by Seller in the computation of federal and state income tax returns.



13. CHANGES DURING ESCROW:

- A. Prior to Close Of Escrow, Seller may engage in the following acts ("Proposed Changes") subject to Buyer's rights in **paragraph 13B**: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s) or (iv) change the status of the condition of the Property.
- B. (1) At least 7 Days prior to any Proposed Changes, Seller shall Deliver written notice to Buyer of such Proposed Change.
(2) Within 5 Days after receipt of such notice, Buyer, in writing, may give Seller notice of Buyer's objection to the Proposed Changes in which case Seller shall not make the Proposed Changes.

14. SECURITY DEPOSITS AND UNEARNED RENT: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current Law, and all prepaid but unearned rents, if any, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant regarding the security deposit, in compliance with the California Civil Code.

15. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:

- A. Buyer shall, within the time specified in **paragraph 3L(3)**, have the right, at Buyer's expense unless Otherwise Agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations").
- B. Buyer Investigations include, but are not limited to:
 - (1) Inspections regarding any physical attributes of the Property or items connected to the Property such as:
 - (A) A general inspection.
 - (B) An inspection for lead-based paint and other lead-based paint hazards.
 - (C) An inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures, may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings, and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2).
 - (D) A phase one environmental survey, paid for and obtained by the party indicated in **paragraph 3Q(2)**. If Buyer is responsible for obtaining and paying for the survey, Buyer shall act diligently and in good faith to obtain such survey within the time specified in **paragraph 3L(3)**. Buyer has 5 Days after receiving the survey to remove this portion of the Buyer's Investigation contingency.
 - (2) Investigations of any other matter affecting the Property, other than those that are specified as separate contingencies. Buyer Investigations do not include, among other things, an assessment of the availability and cost of general homeowner's insurance, flood insurance, and fire insurance. See Buyer's Investigation Advisory (C.A.R. Form BIA) for more.
- C. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report, which shall not include any holes or drilling through stucco or similar material; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- D. Seller shall make the Property available for all Buyer Investigations. Seller is not obligated to move any existing personal property. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is delivered to Buyer. Buyer shall, (i) by the time specified in **paragraph 3L(3)**, complete Buyer Investigations and satisfy themselves as to the condition of the Property and either remove the contingency or cancel this Agreement, and (ii) by the time specified in **paragraph 3L(3)** or 3 Days after receipt of any Investigation report, whichever is later, give Seller at no cost, complete Copies of all such reports obtained by Buyer, which obligation shall survive the termination of this Agreement. This Delivery of Investigation reports shall not include any appraisal.
- E. **Buyer indemnity and Seller protection for entry upon the Property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.

16. TITLE AND VESTING:

- A. **PRELIMINARY REPORT:** Buyer shall, within the time specified in **paragraph 3N(1)**, be provided a current Preliminary Report by the person responsible for paying for the title report in **paragraph 3Q(9)**. If Buyer is responsible for paying, Buyer shall act diligently and in good faith to obtain such Preliminary Report within the time specified. The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities.
- B. **CONDITION OF TITLE:** Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing. For any lien or matter not being transferred upon sale, Seller will take necessary action to deliver title free and clear of such lien or matter.
- C. **DISCLOSURE TO BUYER:** Seller shall, within the time specified in **paragraph 3N(1)**, disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. **FEDERAL REPORTING REQUIREMENT - GEOGRAPHIC TARGETING ORDER:** If Buyer is a legal entity and the Property purchase price is at least \$300,000 and the purchase price is made without a bank loan or similar form of external financing, a Geographic Targeting Order (GTO) issued by the Financial Crimes Enforcement Network, U.S. Department of the Treasury, requires title companies to collect and report certain information about the Buyer, depending on where the Property is located. Buyer agrees to cooperate with the title company's effort to comply with the GTO.
- E. **SELLER DELIVERY OF INFORMATION:** Seller shall within 7 Days after request, give Escrow Holder necessary information to clear title.

- F. **DEED AND VESTING:** Buyer shall after Close Of Escrow receive a recorded grant deed or any other conveyance document required to convey title (For example, for stock cooperative or tenancy in common, respectively, an assignment of stock certificate or assignment of Seller's interest in the real property) including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's vesting instructions. The recording document shall contain Buyer's post-closing mailing address to enable Buyer's receipt of the recorded conveyance document from the County Recorder. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**
 - G. **TITLE INSURANCE POLICY:** Buyer shall receive a Standard Coverage Owner's CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.
- 17. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS:** The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR-B, CR-S or CC).
- A. **SELLER DELIVERY OF DOCUMENTS:** Seller shall within the time specified in paragraph 3N(1), Deliver to Buyer all reports disclosures and information ("Reports") for which Seller is responsible to provide Buyer as specified in paragraphs 9B(6), 9B(8), 10, 11A, 11C-N, 12, 16A, 16C, 31, and, if applicable, C.A.R. Form SWPI.
 - B. **BUYER REVIEW OF DOCUMENTS; REPAIR REQUEST; CONTINGENCY REMOVAL OR CANCELLATION**
 - (1) Buyer has the time specified in paragraph 3 to perform Buyer Investigations, review all disclosures, Reports, lease documents to be assumed by Buyer pursuant to paragraph 9B(6), and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property.
 - (2) Buyer may within the time specified in paragraph 3L(3) request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to Buyer's requests (C.A.R. Form RR or RRRR). If Seller does not agree or does not respond, Buyer is not contractually entitled to have the repairs or other requests made and may only cancel based on contingencies in this Agreement.
 - (3) Buyer shall, by the end of the times specified in paragraph 3L (or as Otherwise Agreed), Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement (C.A.R. Form CR-B or CC). Buyer is advised not to remove contingencies related to review of documents until after the documents have been Delivered. If Delivery of any Report occurs after a contractual contingency pertaining to that Report has already been waived or removed, the Delivery of the Report does not revive the contingency.
 - (4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 3L and before Seller cancels, if at all, pursuant to paragraph 17C, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 17C(1).
 - C. **SELLER RIGHT TO CANCEL:**
 - (1) **SELLER RIGHT TO CANCEL; BUYER CONTINGENCIES:** If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.
 - (2) **SELLER RIGHT TO CANCEL; BUYER CONTRACT OBLIGATIONS:** Seller, after first Delivering to Buyer a Notice to Buyer to Perform, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3D(1) or 3D(2) or if the funds deposited pursuant to paragraph 3D(1) or 3D(2) are not good when deposited; (ii) Deliver updated contact information for Buyer's lender(s) as required by paragraph 5C(3); (iii) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by paragraph 5B or 6A; (iv) Deliver a letter as required by paragraph 6B; (v) In writing assume or accept leases or liens specified in paragraph 8H; (vi) Cooperate with the title company's effort to comply with the GTO as required by paragraph 16E; (vii) Provide evidence of authority to Sign in a representative capacity as specified in paragraph 31; (viii) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraph 5A(2) and 37; or (ix) Perform any additional Buyer contractual obligation(s) included in this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees allocated to Seller in this Agreement and already paid by Escrow prior to cancellation of this Agreement and notification to Escrow.
 - (3) **SELLER RIGHT TO CANCEL; SELLER CONTINGENCIES:** Seller may cancel this Agreement by good faith exercise of any Seller contingency included in this Agreement or Otherwise Agreed, so long as that contingency has not already been removed or waived in writing.
 - D. **BUYER RIGHT TO CANCEL:**
 - (1) **BUYER RIGHT TO CANCEL; SELLER CONTINGENCIES:** If, by the time specified in this Agreement, Seller does not Deliver to Buyer a removal of the applicable contingency or cancellation of this Agreement, then Buyer, after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees allocated to Seller in the Agreement and already paid by Escrow prior to cancellation of this Agreement and notification to Escrow.
 - (2) **BUYER RIGHT TO CANCEL; SELLER CONTRACT OBLIGATIONS:** If, by the time specified, Seller has not Delivered any item specified in paragraph 3N(1) or Seller has not performed any Seller contractual obligation included in this Agreement by the time specified, Buyer, after first Delivering to Seller a Notice to Seller to Perform, may cancel this Agreement.
 - (3) **BUYER RIGHT TO CANCEL; BUYER CONTINGENCIES:** Buyer may cancel this Agreement by good faith exercise of any Buyer contingency included in paragraph 8 or Otherwise Agreed, so long as that contingency has not already been removed in writing.
 - E. **NOTICE TO BUYER OR SELLER TO PERFORM:** The Notice to Buyer to Perform or Notice to Seller to Perform shall, (i) be in writing; (ii) be Signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2 Days after Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform or Notice to Seller to Perform may not be Delivered any earlier than 2 Days prior to the Scheduled Performance Day to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 17, except for Close of Escrow which shall be Delivered under the terms of paragraph 17G, whether or not the Scheduled Performance Day falls on a Saturday, or Sunday or legal holiday. If a Notice to Buyer to Perform or Notice to Seller to Perform is incorrectly Delivered or specifies a time less than the agreed time, the notice shall be deemed invalid and void. However, if the notice is for multiple items, the notice shall be valid for all contingencies and contractual actions for which the Delivery of the notice is within the time permitted in the Agreement and void as to the others. Seller or Buyer shall be required to Deliver a new Notice to Buyer to Perform or Notice to Seller to Perform with the specified timeframe.

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- F. EFFECT OF REMOVAL OF CONTINGENCIES:**
- (1) **REMOVAL OF BUYER CONTINGENCIES:** If Buyer removes any contingency or cancellation rights, unless Otherwise Agreed, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of Reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for the non-delivery of any Reports, disclosures or information outside of Seller's control and for any Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.
 - (2) **REMOVAL OF SELLER CONTINGENCIES:** If Seller removes any contingency or cancellation rights, unless Otherwise Agreed, Seller shall conclusively be deemed to have: (i) satisfied themselves regarding such contingency; (ii) elected to proceed with the transaction; and (iii) given up any right to cancel this Agreement based on such contingency.
- G. DEMAND TO CLOSE ESCROW:** Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a Demand to Close Escrow (C.A.R. Form DCE). The DCE shall: (i) be Signed by the applicable Buyer or Seller; and (ii) give the other Party at least 3 Days after Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days prior to the Scheduled Performance Day for the Close Of Escrow. If a DCE is incorrectly Delivered or specifies a time less than the agreed time, the DCE shall be deemed invalid and void and Seller or Buyer shall be required to Deliver a new DCE.
- H. EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign and Deliver mutual instructions to cancel the sale and escrow and release deposits, if any, to the Party entitled to the funds, less (i) fees and costs paid by Escrow Holder on behalf of that Party, if required by this Agreement; and (ii) any escrow fee charged to that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. **A release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. A Party may be subject to a civil penalty of up to \$1,000 for refusal to Sign cancellation instructions if no good faith dispute exists as to which Party is entitled to the deposited funds (Civil Code § 1057.3). Note: Neither Agents nor Escrow Holder are qualified to provide any opinion on whether either Party has acted in good faith or which Party is entitled to the deposited funds. Buyer and Seller are advised to seek the advice of a qualified California real estate attorney regarding this matter.**
- 18. REPAIRS:** Repairs shall be completed prior to final verification of condition unless Otherwise Agreed. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. Buyer acknowledges that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.
- 19. FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final verification of the Property condition within the time specified in paragraph 3J, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 7B; (ii) Repairs have been completed as agreed, and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).
- 20. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless Otherwise Agreed, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, Seller rental payments, HOA regular assessments due prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment District bonds and assessments that are now a lien. Seller shall pay any HOA special or emergency assessments due prior to Close Of Escrow. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special or emergency assessments that are due after Close Of Escrow. Property will be reassessed upon change of ownership. Any supplemental tax bills delivered to Escrow Holder prior to closing shall be prorated and paid as follows: (i) for periods after Close Of Escrow, by Buyer, and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). Seller agrees all service fees, maintenance costs and utility bills will be paid current up and through the date of Close Of Escrow. **TAX BILLS AND UTILITY BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER.** Prorations shall be made based on a 30-day month.
- 21. BROKERS AND AGENTS:**
- A. COMPENSATION:**
- (1) **Broker Compensation:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. The amount of compensation, if a percentage, will be based on the final purchase price. Buyer is advised that Buyer's Broker should not receive compensation from any source in excess of the amount in the buyer representation agreement. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
 - (2) **Third party beneficiary:** Seller acknowledges and agrees that Buyer's Broker is a third-party beneficiary of this Agreement and may pursue Seller for failure to pay the amount specified in this Agreement.
- B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Agent: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Agent; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

22. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:

- A. ESCROW INSTRUCTION PARAGRAPHS:** The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3A, 3B, 3D-G, 3N(2), 3Q, 3S, 4A, 4B, 5A(1-2) 5D, 5E, 10B(2)(A), 10B(3), 10B(4)(B), 11A, 11D(2), 16 (except 16D), 17H, 20, 21A, 22, 26, 31, 32, 35, 39, and 40. If a Copy of the separate compensation agreement(s) provided for in paragraph 21A is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned.
- B. ESCROW HOLDER GENERAL PROVISIONS:** Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder. To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller shall Sign and return Escrow Holder's general provisions or supplemental instructions within the time specified in paragraph 3N(2). Buyer and Seller shall execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within 3 Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 3, 8, 10, 11, or elsewhere in this Agreement.
- C. COPIES; STATEMENT OF INFORMATION; TAX WITHHOLDING INSTRUCTIONS:** A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days after Acceptance. Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title Company when received from Seller, if a separate company is providing title insurance. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 11A, Escrow Holder shall deliver to Buyer, Buyer's Agent, and Seller's Agent a Qualified Substitute statement that complies with federal Law. If Escrow Holder's Qualified Substitute statement does not comply with federal law, the Parties instruct escrow to withhold all applicable required amounts under paragraph 11A.
- D. BROKER COMPENSATION:**
- (1) **Payment:** Agents are not a party to the escrow except for the sole purpose of receiving compensation pursuant to paragraph 21A. If a Copy of the separate compensation agreement(s), including if applicable paragraph 3G(3) of this Agreement, is deposited with Escrow Holder by Agent, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). Buyer's obligation to pay Buyer's Broker shall be offset by any amount that Seller pays Buyer's Broker. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 21A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
 - (2) **Compensation Disclosure:** Escrow Holder shall provide to Buyer a closing statement or other written documentation disclosing the amount of compensation paid to Buyer's Broker. Escrow Holder shall provide to Seller a closing statement or other written documentation disclosing: (i) the amount of compensation paid to Seller's Broker; and (ii) if applicable pursuant to paragraph 3G(3) or other mutual instruction of the parties, the amount paid by Seller for Buyer's Broker compensation. Escrow Holder's obligation pursuant to paragraph 22D is not intended to alter any preexisting practice of Escrow Holder to issue, as applicable, joint or separate closing statements. Escrow Holder's obligation pursuant to paragraph 22D is independent of, but may be satisfied by, any closing statement mandated by Buyer's lender.
- E. INVOICES:** Buyer and Seller acknowledge that Escrow Holder may require invoices for expenses under this Agreement. Buyer and Seller, upon request by Escrow Holder, within 3 Days or within a sufficient time to close escrow, whichever is sooner, shall provide any such invoices to Escrow Holder.
- F. VERIFICATION OF DEPOSIT:** Upon receipt, Escrow Holder shall provide Buyer, Seller, and each Agent verification of Buyer's deposit of funds pursuant to paragraph 5A(1) and C.A.R. Form IDA. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify each Agent: (i) if Buyer's initial or any additional deposit or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- G. DELIVERY OF AMENDMENTS:** A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.
- 23. SELECTION OF SERVICE PROVIDERS:** Agents do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Agent or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.
- 24. MULTIPLE LISTING SERVICE ("MLS"):** Agents are authorized to report to the MLS that an offer has been accepted and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS. Buyer acknowledges that: (i) any pictures, videos, floor plans (collectively, "Images") or other information about the Property that has been or will be inputted into the MLS or internet portals, or both, at the instruction of Seller or in compliance with MLS rules, will not be removed after Close Of Escrow; (ii) California Civil Code § 1088(c) requires the MLS to maintain such Images and information for at least three years and as a result they may be displayed or circulated on the Internet, which cannot be controlled or removed by Seller or Agents; and (iii) Seller, Seller's Agent, Buyer's Agent, and MLS have no obligation or ability to remove such Images or information from the Internet.
- 25. ATTORNEY FEES AND COSTS:** In any Legal Action between Buyer and Seller arising out of this Agreement, the prevailing Buyer or Seller shall be entitled to reasonable attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 37A.



- 26. ASSIGNMENT/NOMINATION:** Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's wholly-owned entity or trust that exists at the time of such assignment. Otherwise Buyer shall not assign all or any part of Buyer's interest in this Agreement without first obtaining Seller's separate written consent to a specified assignee (C.A.R. Form ACAA). Seller shall not unreasonably withhold such consent. Prior to any assignment, Buyer shall disclose to Seller the name of the assignee and the amount of any monetary consideration between Buyer and assignee. Seller's withholding of consent shall be deemed reasonable if (i) Buyer is to receive any monetary or other consideration for the assignment (ii) Buyer makes any misrepresentation(s) to Seller about any aspect of the assignment, or (iii) Buyer Delivers an assignment request to Seller after the time specified in **paragraph 3K**. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is Buyer's wholly-owned entity or trust, that assignee does not need to re-sign or initial all documents provided. Whether or not an assignment requires seller's consent, at the time of assignment, assignee shall deliver a letter from assignee's lender that assignee is prequalified or preapproved as specified in **paragraph 6B**. Should assignee fail to deliver such letter, Seller, after first giving assignee a Notice to Buyer to Perform, may terminate the assignment. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller. Parties shall provide any assignment agreement to Escrow Holder within **1 Day** after the assignment. Any nomination by Buyer shall be subject to the same procedures, requirements, and terms as an assignment as specified in this paragraph.
- 27. SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.
- 28. ENVIRONMENTAL HAZARD CONSULTATION:** Buyer and Seller acknowledge (i) Federal, state, and local legislation impose liability upon existing and former owners and users of real property in applicable situations, for certain legislatively defined, environmentally hazardous substances, (ii) Agent(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; (iii) Agent(s) has/have made no representation concerning the existence, testing, discovery, location, and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
- 29. AMERICANS WITH DISABILITIES ACT:** The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. Residential properties are not typically covered by the ADA, but may be governed by its provisions if used for certain purposes. The ADA can require, among other things, that buildings be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker or agent does not have the technical expertise to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact a qualified California real estate attorney, contractor, architect, engineer, or other qualified professional of Buyer or Seller's own choosing to determine to what degree, if any, the ADA impacts that principal or this transaction.
- 30. COPIES:** Seller and buyer each represent that Copies of all reports, certificates, approvals, and other documents that are furnished to the other are true, correct, and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
- 31. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraphs 39 or 40** appear on this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Legally Authorized Signer (i) represents that the entity for which that person is acting already exists and is in good standing to do business in California and (ii) shall Deliver to the other Party and Escrow Holder, within **3 Days** after Acceptance, evidence of authority to act in that capacity (such as but not limited to, applicable portion of the trust or Certification Of Trust (Probate Code § 18100.5)), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).
- 32. DEFINITIONS and INSTRUCTIONS:** The following words are defined terms in this Agreement, shall be indicated by initial capital letters throughout this Agreement, and have the following meaning whenever used:
- A. "Acceptance" means the time the offer or final counter offer is fully executed in writing by the recipient Party and is Delivered to the offering Party or that Party's Authorized Agent.
 - B. "Agent" means the Broker, salesperson, broker-associate or any other real estate licensee licensed under the brokerage firm identified in **paragraph 2B**.
 - C. "Agreement" means this document and any counter offers and any incorporated addenda or amendments, collectively forming the binding agreement between the Parties. Addenda and amendments are incorporated only when Signed and Delivered by all Parties.
 - D. "As-Is" condition: Seller shall disclose known material facts and defects as specified in this Agreement. Buyer has the right to inspect the Property and, within the time specified, request that Seller make repairs or take other corrective action, or exercise any contingency cancellation rights in this Agreement. Seller is only required to make repairs specified in this Agreement or as Otherwise Agreed.
 - E. "Authorized Agent" means an individual real estate licensee specified in the Real Estate Broker Section.
 - F. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the Parties.
 - G. "Close Of Escrow", including "COE", means the date the grant deed, or other evidence of transfer of title, is recorded for any real property, or the date of Delivery of a document evidencing the transfer of title for any non-real property transaction.
 - H. "Copy" means copy by any means including photocopy, facsimile and electronic.
 - I. "Counting Days" is done as follows unless Otherwise Agreed: (1) The first Day after an event is the first full calendar date following the event, and ending at 11:59 pm. For example, if a Notice to Buyer to Perform (C.A.R. form NBP) is Delivered at 3 pm on the 7th calendar day of the month, or Acceptance of a counter offer is personally received at 12 noon on the 7th calendar day of the month, then the 7th is Day "0" for purposes of counting days to respond to the NBP or calculating the Close Of Escrow date or contingency removal dates and the 8th of the month is Day 1 for those same purposes. (2) All calendar days are counted in establishing the first Day after an event. (3) All calendar days are counted in determining the date upon which performance must be completed, ending at 11:59 pm on the last day for performance ("Scheduled Performance Day"). (4) After Acceptance, if the Scheduled Performance Day for any act required by this Agreement, including Close Of Escrow, lands on a Saturday, Sunday, or Legal Holiday, the performing party shall be allowed to perform on the next day that is not a Saturday, Sunday or Legal Holiday ("Allowable Performance Day") and ending at 11:59 pm. "Legal Holiday" shall mean any holiday or optional bank holiday under Civil Code §§ 7 and 7.1 and any holiday under Government Code § 6700. (5) For the purposes of COE, any day that the Recorder's office in the County where the Property is located is closed or any day that the lender or Escrow Holder under this Agreement is closed, the COE shall occur on the next day the Recorder's office in that County, the lender, and the Escrow Holder are open. (6) COE is considered Day 0 for purposes of counting days. Seller is allowed to remain in possession, if permitted by this Agreement.

- J. "Day" or "Days" means calendar day or days. However, delivery of deposit to escrow is based on business days.
 - K. "Deliver", "Delivered" or "Delivery" of documents, unless Otherwise Agreed, means and shall be effective upon personal receipt of the document by Buyer or Seller or their Authorized Agent. Personal receipt means (i) a Copy of the document, or as applicable, link to the document, is in the possession of the Party or Authorized Agent, regardless of the Delivery method used (i.e. e-mail, text, other). A document, or as applicable link to a document, shall be deemed to be "in possession" if it is located in the inbox for the applicable Party or Authorized Agent; or (ii) an electronic Copy of the document, or as applicable, link to the document, has been sent to the designated electronic delivery address specified in the Real Estate Broker Section, unless Otherwise Agreed in C.A.R. Form DEDA. After Acceptance, Agent may change the designated electronic delivery address for that Agent by, in writing, Delivering notice of the change in designated electronic delivery address to the other Party (C.A.R. Form DEDA). Links could be, for example, to DropBox or Google Drive or other functionally equivalent program. If the recipient of a link is unable or unwilling to open the link or download the documents or otherwise prefers Delivery of the documents directly, Recipient of a link shall notify the sender in writing, within **3 Days** after Delivery of the link (C.A.R. Form RFR). In such case, Delivery shall be effective upon Delivery of the documents and not the link. Failure to notify sender within the time specified above shall be deemed consent to receive, and recipient opening, the document by link.
 - L. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. Unless Otherwise Agreed, Buyer and Seller agreed to the use of Electronic Signatures. Buyer and Seller agree that electronic means will not be used by either Party to modify or alter the content or integrity of this Agreement without the knowledge and consent of the other Party.
 - M. "Law" means any law, code, statute, ordinance, regulation, rule or order, which is adopted by a controlling city, county, state or federal legislative, judicial or executive body or agency.
 - N. "Legal Action" means a lawsuit or legal proceeding in arbitration or court.
 - O. "Legally Authorized Signer" means an individual who has authority to Sign for the principal as specified in **paragraph 39** or **paragraph 40**.
 - P. "Otherwise Agreed" means an agreement in writing, signed by both Parties and Delivered to each.
 - Q. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
 - R. "Sign" or "Signed" means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.
33. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
34. **TERMS AND CONDITIONS OF OFFER:** This is an offer to purchase the Property on the terms and conditions herein. The individual Liquidated Damages and Arbitration of Disputes paragraphs are incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a Counter Offer or addendum. **If at least one but not all Parties initial, a Counter Offer is required until agreement is reached.** Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance and to market the Property for backup offers after Acceptance. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing. By signing this offer or any document in the transaction, the Party Signing the document is deemed to have read the document in its entirety.
35. **TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES:** Time is of the essence. All understandings between the Parties are incorporated in this Agreement. Its terms are intended by the Parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Except as Otherwise Agreed, this Agreement shall be interpreted, and disputes shall be resolved in accordance with the Laws of the State of California. **Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed, except in writing Signed by Buyer and Seller.**

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PROCEED TO NEXT PAGE**

36. LIQUIDATED DAMAGES:

If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM DID).

Buyer's Initials MAK CK

Seller's Initials MAll

37. MEDIATION:

- A. The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. The mediation shall be conducted through the C.A.R. Dispute Resolution Center for Real Estate (www.consumermediation.org) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Agents(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. Mediation fees if any, shall be divided equally among the Parties involved, and shall be recoverable under the prevailing party attorney fees clause. If, for any dispute or claim to which this paragraph applies, any Party (i) commences Legal Action without first attempting to resolve the matter through mediation, or (ii) before commencement of Legal Action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.
- B. **ADDITIONAL MEDIATION TERMS:** (i) Exclusions from this mediation agreement are specified in paragraph 38B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 38C; and (iii) Agent's rights and obligations are further specified in paragraph 38D. These terms apply even if the Arbitration of Disputes paragraph is not initialed.

38. ARBITRATION OF DISPUTES:

- A. The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Agents(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Agent. The arbitration shall be conducted through any arbitration provider or service mutually agreed to by the Parties. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of transactional real estate Law experience, unless the Parties mutually agree to a different arbitrator. Enforcement of, and any motion to compel arbitration pursuant to, this agreement to arbitrate shall be governed by the procedural rules of the Federal Arbitration Act, and not the California Arbitration Act, notwithstanding any language seemingly to the contrary in this Agreement. The Parties shall have the right to discovery in accordance with Code of Civil Procedure § 1283.05. The arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction.
- B. **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) Any matter that is within the jurisdiction of a probate, small claims or bankruptcy court; (ii) an unlawful detainer action; and (iii) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code § 2985.
- C. **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, provided the filing party concurrent with, or immediately after such filing, makes a request to the court for a stay of litigation pending any applicable mediation or arbitration proceeding; or (iii) the filing of a mechanic's lien.
- D. **AGENTS:** Agents shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Agents(s) participating in mediation or arbitration shall not be deemed a party to this Agreement.
- E. **"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Buyer's Initials MAK CK

Seller's Initials MAll

MAK CK

MAll



39. OFFER

- A. **EXPIRATION OF OFFER:** This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless by the date and time specified in paragraph 3C, the offer is Signed by Seller and a Copy of the Signed offer is Delivered to Buyer or Buyer's Authorized Agent. **Seller has no obligation to respond to an offer made.**
- B. **ENTITY BUYERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)
 - (1) **Non-Individual (entity) Buyers:** One or more Buyers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
 - (2) **Full entity name:** The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #): _____
 - (3) **Contractual Identity of Buyer:** For purposes of this Agreement, when the name described below is used, it shall be deemed to be the full entity name.
 - (A) If a trust: The trustee(s) of the trust or a simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust).
 - (B) If Property is sold under the jurisdiction of a probate court: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
 - (4) **Legally Authorized Signer:**
 - (A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not in an individual capacity. See paragraph 31 for additional terms.
 - (B) The name(s) of the Legally Authorized Signer(s) is/are _____.
- C. The CPA has 17 pages. Buyer acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

D. **BUYER SIGNATURE(S):**

(Signature) By: Mohamad Ali Khalil Date: 03/27/2026
 Printed name of BUYER: Mohamad Ali Khalil
 Printed Name of Legally Authorized Signer: _____ Title, if applicable: _____
 (Signature) By: Cecilia Khalil Date: 03/27/2026
 Printed name of BUYER: Cecilia Khalil
 Printed Name of Legally Authorized Signer: _____ Title, if applicable: _____

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).

40. ACCEPTANCE

- A. **ACCEPTANCE OF OFFER:** Seller warrants that Seller is the owner of the Property or has the authority to execute this Agreement. Seller accepts the above offer and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement and authorizes Agent to Deliver a Signed Copy to Buyer. **Seller's acceptance is subject to the attached Counter Offer or Back-Up Offer Addendum, or both, checked below.** Seller shall return and include the entire agreement with any response.

- Seller Counter Offer** (C.A.R. Form SCO or SMCO)
- Back-Up Offer Addendum** (C.A.R. Form BUO)

- B. **ENTITY SELLERS:** (Note: If this paragraph is completed, a Representative Capacity Signature Disclosure form (C.A.R. Form RCSD) is not required for the Legally Authorized Signers designated below.)
 - (1) **Non-Individual (entity) Sellers:** One or more Sellers is a trust, corporation, LLC, probate estate, partnership, holding a power of attorney or other entity.
 - (2) **Full entity name:** The following is the full name of the entity (if a trust, enter the complete trust name; if under probate, enter full name of the estate, including case #) _____
 - (3) **Contractual Identity of Seller:** For purposes of this Agreement, when the name described below is used, it shall be deemed to be the full entity name.
 - (A) If a trust: The trustee(s) of the trust or a simplified trust name (ex. John Doe, co-trustee, Jane Doe, co-trustee or Doe Revocable Family Trust)
 - (B) If Property is sold under the jurisdiction of a probate court: The name of the executor or administrator, or a simplified probate name (John Doe, executor, or Estate (or Conservatorship) of John Doe).
 - (4) **Legally Authorized Signer:**
 - (A) This Agreement is being Signed by a Legally Authorized Signer in a representative capacity and not for him/herself as an individual. See paragraph 31 for additional terms.
 - (B) The name(s) of the Legally Authorized Signer(s) is/are _____.
- C. The CPA has 17 pages. Seller acknowledges receipt of, and has read and understands, every page and all attachments that make up the Agreement.

D. **SELLER SIGNATURE(S):**

(Signature) By: Michael L. Antwine II Date: 4/9/2026
 Printed name of SELLER: Michael L. Antwine II
 Printed Name of Legally Authorized Signer: _____ Title, if applicable: City Manager/Executive D
 (Signature) By: _____ Date: _____
 Printed name of SELLER: _____
 Printed Name of Legally Authorized Signer: _____ Title, if applicable: _____

IF MORE THAN TWO SIGNERS, USE Additional Signature Addendum (C.A.R. Form ASA).



REAL ESTATE BROKERS SECTION:

1. Real Estate Agents are not parties to the Agreement between Buyer and Seller.
2. Agency relationships are confirmed as stated in paragraph 2.
3. Presentation of Offer: Pursuant to the National Association of REALTORS® Standard of Practice 1-7, if Buyer's Agent makes a written request Seller's Agent shall confirm in writing that this offer has been presented to Seller.
4. Agents' Signatures and designated electronic delivery address:

A. Buyer's Brokerage Firm Century 21 A Better Service Realty DRE Lic. # 01206776
 By George Valencia George Valencia DRE Lic. # 02083024 Date 03/27/2026
 By _____ DRE Lic. # _____ Date _____
 Address 10839 La Reina Ave, Suite 100 City downey State CA Zip 90242
 Email GeorgeYourRealtorForLife@Gmail.com Phone # _____

More than one agent from the same firm represents Buyer. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
 More than one brokerage firm represents Buyer. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

Designated Electronic Delivery Address(es): Email above or

Attached DEDA. If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

B. Seller's Brokerage Firm Sperry Commercial DRE Lic. # 01232786
 By Luis Vazquez Luis Vazquez DRE Lic. # 00841513 Date 4/9/2026
 By 3218424CE4F24F4 DRE Lic. # _____ Date _____
 Address _____ City _____ State _____ Zip _____
 Email _____ Phone # _____

More than one agent from the same firm represents Seller. Additional Agent Acknowledgement (C.A.R. Form AAA) attached.
 More than one brokerage firm represents Seller. Additional Broker Acknowledgement (C.A.R. Form ABA) attached.

Designated Electronic Delivery Address(es) (To be filled out by Seller's Agent): Email above or

Attached DEDA. If Parties elect to have an alternative Delivery method, such method may be indicated on C.A.R. Form DEDA.

Buyer's Initials MAX / CK Seller's Initials MJH

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked a deposit in the amount of \$ _____), Counter Offer numbers _____ and _____ and agrees to act as Escrow Holder subject to **paragraph 22** of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised by _____ that the date of Acceptance of the Agreement is _____
 Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail // _____

Escrow Holder has the following license number # _____

Department of Financial Protection and Innovation Department of Insurance Department of Real Estate.

PRESENTATION OF OFFER: _____ / _____ Seller's Brokerage Firm presented this offer to Seller on _____ (date).
 Broker or Designee Initials _____

OFFER NOT ACCEPTED: _____ / _____ No Counter Offer is being made. This offer was not accepted by Seller _____ (date)
 Seller's Initials _____

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BUYER'S INVESTIGATION ADVISORY

(C.A.R. Form BIA, Revised 6/25)

1. **IMPORTANCE OF PROPERTY INVESTIGATION:** Unless otherwise specified in the Agreement, the physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A Broker's inspection is a limited visual inspection (see C.A.R. Form AVID), and a Broker is not qualified to conduct the investigations listed below nor will Broker conduct the investigations checked below by Buyer. For these reasons you should conduct thorough inspections, investigations, tests, surveys and other studies (Inspections and Investigations) of the Property personally and with appropriate professionals (see C.A.R. Form SBSA), who should provide written reports of their Inspections. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If any professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.
2. **BROKER OBLIGATIONS:** Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to other professionals, Broker does not guarantee their performance.
3. **YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**
 - A. **GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and non-structural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
 - B. **SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
 - C. **WOOD DESTROYING PESTS:** Presence of or conditions likely to lead to the presence of wood destroying pests and organisms.
 - D. **SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
 - E. **WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs, Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
 - F. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
 - G. **EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
 - H. **FIRE, HAZARD, AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and insurance contingencies.
 - I. **BUILDING PERMITS, ZONING, GOVERNMENTAL REQUIREMENTS, AND ADDRESS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size. Postal/mailling address and zip code may not accurately reflect the city which has jurisdiction over the Property.
 - J. **RENTAL PROPERTY RESTRICTIONS:** The State, some counties, and some cities impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Dead bolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
 - K. **SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.
 - L. **UTILITIES; SEWER; INTERNET:** Availability of gas, electric, water, sewer, garbage, internet and other services. The provider and quality of service may vary by location.
 - M. **SOLAR POWER SYSTEM:** The existence of a solar power system, whether it is owned, leased, financed, or otherwise subject to obligations, such as a power purchase agreement or maintenance agreement, the condition of and costs associated with the system.



BUYER'S INVESTIGATION ADVISORY (BIA PAGE 1 OF 2)

N. NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS: Neighborhood or area conditions including schools, law enforcement, crime statistics, registered felons or offenders, fire protection, other government services, availability, adequacy and cost of internet connections or other technology services and installations, commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

By signing below, Buyer acknowledges that they have received a copy of this Buyer Investigation Advisory, and they have read and understand its terms. Buyer is encouraged to read it carefully.

Buyer Mohamad Ali Khalil Mohamad Ali Khalil Date 03/27/2026

Buyer Cecilia Khalil Cecilia Khalil Date 03/27/2026

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BIA REVISED 6/25 (PAGE 2 OF 2)



BUYER'S INVESTIGATION ADVISORY (BIA PAGE 2 OF 2)

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Mohamad Ali



POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER - DISCLOSURE AND CONSENT
(C.A.R. Form PRBS, Revised 6/25)

1. **BROKER AGENCY RELATIONSHIP WITH MULTIPLE PRINCIPALS:** A real estate broker ("Brokerage"), whether a corporation, partnership or sole proprietorship, may legally represent more than one buyer or seller. This multiple representation can occur through a sole proprietor Brokerage, or through a salesperson or broker acting under the Brokerage's license ("Associate Licensee"). Associate Licensees under a Brokerage's license may be working out of the same or different office locations, and may or may not know one another. Clients of the Brokerage may have similar goals and may compete against each other for the same property or the same pool of prospective buyers. Some buyers and sellers prefer to work with individual sole proprietor brokerages, some with brokerages that have multiple licensees, and others with large brokerage companies that have multiple offices and may have a regional, statewide or a national or international presence. Each has its own advantages. It is important for buyers and sellers to understand how the Brokerage representation of multiple buyers or sellers may impact them under various situations.
 - A. **MULTIPLE BUYERS:** Brokerage (individually or through any of its Associate Licensees) may work with many prospective buyers at the same time. These prospective buyers may have an interest in, and make offers on, the same properties. Some of these properties may be listed by the Brokerage. Whether Brokerage is large or small, it is possible that one Associate-Licensee (agent 1) working with a buyer may not be aware that another Associate-Licensee (agent 2) is working with a different buyer who is interested in viewing or making an offer on the same property as agent 1's client, and vice-versa. Brokerage will not limit or restrict any buyer from making an offer on any specific property, whether or not the Brokerage represents other buyers interested in the same property.
 - B. **MULTIPLE SELLERS:** Brokerage (individually or through its Associate Licensees) may have listings on many properties at the same time. As a result, Brokerage will attempt to find buyers for each of those listed properties. Some listed properties may appeal to the same prospective buyers. Some properties may attract more prospective buyers than others. Some of these prospective buyers may be represented by Brokerage and some may not. Brokerage will market all listed properties to all prospective buyers, whether or not Brokerage has other listed properties that may appeal to the same prospective buyers.
 - C. **DUAL AGENCY IN A TRANSACTION:** California law allows a brokerage to represent both a buyer and a seller in a transaction (Civil Code § 2079 et seq.).
 - (1) **Brokerage Dual Agency:** If one Associate-Licensee from the Brokerage is working with a buyer and another Associate-Licensee from the same Brokerage is working with a seller on the same transaction, the Brokerage is considered a dual agent with fiduciary duties to both buyer and seller. In that situation, each individual Associate Licensee working on the transaction is also considered a dual agent having the same knowledge and responsibility as the Brokerage.
 - (2) **Single Agent Dual Agency:** Another form of dual agency occurs when an individual Associate-Licensee is working with both the buyer and seller in the same transaction. In that situation, both the Brokerage company and the individual Associate-Licensee are dual agents with fiduciary duties to each side of the transaction. There is no one approach to this situation. Some brokerages allow the single agent dual agent to continue to represent both parties, as that Associate-Licensee is the chosen agent of the principal. Some brokerages recommend that the broker or an office manager get involved if there is a dispute between the buyer and seller. Some brokerages will require that the broker or an office manager assist the Associate-Licensee with one principal or the other, even if the parties do not have a dispute. Whether one of these approaches, or another is taken in a single agent dual agency will depend on the circumstances and the brokerage policy. Regardless of the approach, the Associate-Licensee and Brokerage shall conduct activity consistent with the terms in **paragraph 2C.**
2. **ACKNOWLEDGEMENT AND CONSENT:**
 - A. **OFFERS ARE NOT NECESSARILY CONFIDENTIAL:** Buyer is advised that seller or listing agent may disclose the existence, terms, or conditions of buyer's offer to other interested buyers and agents unless all parties and their agent have signed a written confidentiality agreement. (C.A.R. Form NDA). In the absence of a signed NDA, Buyer consents to such disclosure. Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the listing agent's marketing strategy, and the instructions of the seller.
 - B. **MULTIPLE BUYERS OR SELLERS:** If Seller is represented by Brokerage, Seller acknowledges that Brokerage may represent prospective buyers of Seller's property and consents to Brokerage acting as a dual agent for both Seller and buyer in that transaction. If Buyer is represented by Brokerage, Buyer acknowledges that Brokerage may represent sellers of property that Buyer is interested in acquiring and consents to Brokerage acting as a dual agent for both Buyer and seller with regard to that property.
 - C. **DUAL AGENCY IN A TRANSACTION:** In the event of dual agency, Seller and Buyer agree that: (i) a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the buyer's or seller's financial position, motivations, bargaining position or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered, and (ii) except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties. Seller and Buyer should discuss with a dual agent the details and parameters of this requirement. Seller and/or Buyer consents to allowing Brokerage to act as a dual agent in a transaction.

PRBS REVISED 6/25 (PAGE 1 OF 2)



POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER (PRBS PAGE 1 OF 2)

By signing below, Buyer and/or Seller acknowledge that each has received a copy of this Possible Representation of More Than One Buyer or Seller – Disclosure and Consent, and each has read, understands, and agrees to its terms and consents to the agency possibilities disclosed.

Buyer Mohamad Ali Khalil Mohamad Ali Khalil Date 03/27/2026
Buyer Cecilia Khalil Cecilia Khalil Date 03/27/2026

Seller _____ Date _____
Seller _____ Date _____

Buyer's Brokerage Firm Century 21 A Better Service Realty DRE Lic # 01206776
By George Valencia DRE Lic # 02083024 Date 03/27/2026

George Valencia
Seller's Brokerage Firm Sperry Commercial DRE Lic # 01232786
By Luis Vazquez DRE Lic # 00841513 Date _____
Luis Vazquez

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POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER OR SELLER (PRBS PAGE 2 OF 2)

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FAIR HOUSING AND DISCRIMINATION ADVISORY

(C.A.R. Form FHDA, Revised 12/24)

1. **EQUAL ACCESS TO HOUSING FOR ALL:** All housing in California is available to all persons. Discrimination as noted below is prohibited by law. Resources are available for those who have experienced unequal treatment under the law.
2. **FEDERAL AND STATE LAWS PROHIBIT DISCRIMINATION AGAINST IDENTIFIED PROTECTED CLASSES:**
 - A. **FEDERAL FAIR HOUSING ACT ("FHA")** Title VIII of the Civil Rights Act 42 U.S.C. §§ 3601-3619. Prohibits discrimination in sales, rental or financing of residential housing against persons in protected classes.
 - B. **CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT ("FEHA")** California Government Code ("GC") §§ 12900-12996, 12955 2 California Code of Regulations ("CCR") §§ 12005-12271 Prohibits discrimination in sales, rental or financing of housing opportunity against persons in protected classes by providers of housing accommodation and financial assistance services as related to housing.
 - C. **CALIFORNIA UNRUH CIVIL RIGHTS ACT ("Unruh")** California Civil Code ("CC") § 51. Prohibits business establishments from discriminating against, and requires full and equal accommodation, advantages, facilities, privileges, and services to persons in protected classes.
 - D. **AMERICANS WITH DISABILITIES ACT ("ADA")** 42 U.S.C. §§ 12181-12189 Title III of the ADA prohibits discrimination based on disability in public accommodations, and
 - E. **OTHER FAIR HOUSING LAWS:** § 504 of Rehabilitation Act of 1973 29 U.S.C. § 794, Ralph Civil Rights Act CC § 51.7, California Disabled Persons Act; CC §§ 54-55.32 any local city or county fair housing ordinances, as applicable.
3. **POTENTIAL LEGAL REMEDIES FOR UNLAWFUL DISCRIMINATION:** Violations of fair housing laws may result in monetary civil fines, injunctive relief, compensatory and/or punitive damages, and attorney fees and costs.
4. **PROTECTED CLASSES/CHARACTERISTICS:** Whether specified in Federal or State law or both, discrimination against persons based on that person's belonging to, association with, or perceived membership in, certain classes or categories, such as the following, is prohibited. Other classes, categories or restrictions may also apply.

Race (and race traits)	Color	Ancestry	National Origin	Religion
Age	Sex, Sexual Orientation	Gender, Gender Identity, Gender expression	Marital Status	Familial Status (family with a child or children under 18)
Citizenship	Immigration Status	Primary Language	Military/Veteran Status	Source of Income (e.g., Section 8 Voucher)
Medical Condition	Disability (Mental & Physical)	Genetic Information	Criminal History (non-relevant convictions)	Any Arbitrary Characteristic or Intersectionality

5. **THE CALIFORNIA DEPARTMENT OF REAL ESTATE REQUIRES TRAINING AND SUPERVISION TO PREVENT HOUSING DISCRIMINATION BY REAL ESTATE LICENSEES:**
 - A. California Business & Professions Code ("B&PC") § 10170.5(a)(4) requires 3 hours of training on fair housing for DRE license renewal. Real Estate Regulation § 2725(f) requires brokers who oversee salespersons to be familiar with the requirements of federal and state laws relating to the prohibition of discrimination.
 - B. Violation of DRE regulations or real estate laws against housing discrimination by a real estate licensee may result in the loss or suspension of the licensee's real estate license. B&PC §10177(l)(1); 10 CCR § 2780
6. **REALTOR® ORGANIZATIONS PROHIBIT DISCRIMINATION:** NAR Code of Ethics Article 10 prohibits discrimination in employment practices or in rendering real estate license services against any person because of race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity by REALTORS®.
7. **WHO IS REQUIRED TO COMPLY WITH FAIR HOUSING LAWS?**

Below is a non-exclusive list of providers of housing accommodations or financial assistance services as related to housing who are most likely to be encountered in a housing transaction and who must comply with fair housing laws.

- Sellers
- Real estate licensees
- Mobilehome parks
- Insurance companies
- Landlords/Housing Providers
- Real estate brokerage firms
- Homeowners Associations ("HOAs");
- Government housing services
- Sublessors
- Property managers
- Banks and Mortgage lenders
- Appraisers

8. **EXAMPLES OF CONDUCT THAT MAY NOT BE MOTIVATED BY DISCRIMINATORY INTENT BUT COULD HAVE A DISCRIMINATORY EFFECT:**
 - A. Prior to acceptance of an offer, asking for or offering buyer personal information or letters from the buyer, especially with photos. Those types of documents may inadvertently reveal, or be perceived as revealing, protected status information thereby increasing the risk of (i) actual or unconscious bias, and (ii) potential legal claims against sellers and others by prospective buyers whose offers were rejected.
 - B. Refusing to rent (i) an upper-level unit to an elderly tenant out of concern for the tenant's ability to navigate stairs or (ii) a house with a pool to a person with young children out of concern for the children's safety.
9. **EXAMPLES OF UNLAWFUL OR IMPROPER CONDUCT BASED ON A PROTECTED CLASS OR CHARACTERISTIC:**
 - A. Refusing to negotiate for a sale, rental or financing or otherwise make a housing opportunity unavailable, failing to present offers due to a person's protected status.
 - B. Refusing or failing to show, rent, sell or finance housing, "channeling" or "steering" a prospective buyer or tenant to or away from a particular area due to that person's protected status or because of the racial, religious or ethnic composition of the neighborhood.
 - C. "Blockbusting" or causing "panic selling" by inducing a listing, sale or rental based on the grounds of loss of value of property, increase in crime or decline in school quality due to the entry or prospective entry of people in protected categories into the neighborhood.
 - D. Making any statement or advertisement that indicates any preference, limitation, or discrimination.



FAIR HOUSING AND DISCRIMINATION ADVISORY (FHDA PAGE 1 OF 2)

- C. Inquiring about protected characteristics (such as asking tenant applicants if they are married, or prospective purchasers if they have children or are planning to start a family)
 - F. Using criminal history information before otherwise affirming eligibility and without a legally sufficient justification.
 - G. Failing to assess financial standards based on the portion of the income responsible by a tenant who receives government subsidies (such as basing an otherwise neutral rent to income ratio on the whole rent rather than just the part of rent that is the tenant's responsibility)
 - H. Denying a home loan or homeowner's insurance.
 - I. Offering inferior terms, conditions, privileges, facilities or services
 - J. Using different qualification criteria or procedures for sale or rental of housing such as income standards, application requirements, application fees, credit analyses, sale or rental approval procedures or other requirements.
 - K. Harassing a person.
 - L. Taking an adverse action based on protected characteristics
 - M. Refusing to permit a reasonable modification to the premises, as requested by a person with a disability (such as refusing to allow a tenant who uses a wheelchair to install, at their expense, a ramp over front or rear steps, or refusing to allow a tenant with a disability from installing, at their own expense, grab bars in a shower or bathtub).
 - N. Refusing to make reasonable accommodation in policies, rules, practices, or services for a person with a disability (such as the following, if an actual or prospective tenant with a disability has a service animal or support animal)
 - (i) Failing to allow that person to keep the service animal or emotional support animal in rental property.
 - (ii) Charging that person higher rent or increased security deposit, or
 - (iii) Failing to show rental or sale property to that person who is accompanied by the service animal or support animal and;
 - O. Retaliating for asserting rights under fair housing laws.
- 10. EXAMPLES OF POSITIVE PRACTICES:**
- A. Real estate licensees working with buyers or tenants should apply the same objective property selection criteria, such as location/neighborhood, property features, and price range and other considerations, to all prospects.
 - B. Real estate licensees should provide complete and objective information to all clients based on the client's selection criteria.
 - C. Real estate licensees should provide the same professional courtesy in responding to inquiries, sharing of information and offers of assistance to all clients and prospects.
 - D. Housing providers should not make any statement or advertisement that directly or indirectly implies preference limitation, or discrimination regarding any protected characteristic (such as "no children" or "English-speakers only").
 - E. Housing providers should use a selection process relying on objective information about a prospective buyer's offer or tenant's application and not seek any information that may disclose any protected characteristics (such as using a summary document, e.g. C.A.R. Form SUM-MO, to compare multiple offers on objective terms).
- 11. FAIR HOUSING RESOURCES:** If you have questions about your obligations or rights under the Fair Housing laws, or you think you have been discriminated against, you may want to contact one or more of the sources listed below to discuss what you can do about it, and whether the resource is able to assist you.
- A. Federal: https://www.hud.gov/program_offices/fair_housing_equal_opp
 - B. State: <https://calcivilrights.ca.gov/housing/>
 - C. Local: local Fair Housing Council office (non-profit, free service)
 - D. DRE: <https://www.dre.ca.gov/Consumers/FileComplaint.html>
 - E. Local Association of REALTORS®. List available at: <https://www.car.org/en/contactus/rosters/localassociationroster>.
 - F. Any qualified California fair housing attorney, or if applicable, landlord-tenant attorney.
- 12. LIMITED EXCEPTIONS TO FAIR HOUSING REQUIREMENTS:** No person should rely on any exception below without first seeking legal advice about whether the exception applies to their situation. Real estate licensees are not qualified to provide advice on the application of these exceptions.
- A. Legally compliant senior housing is exempt from FHA, FEHA and Unruh as related to age or familial status only.
 - B. An owner of a single-family residence who resides at the property with one lodger may be exempt from FEHA for rental purposes, PROVIDED no real estate licensee is involved in the rental.
 - C. An owner of a single-family residence may be exempt from FHA for sale or rental purposes, PROVIDED (i) no real estate licensee is involved in the sale or rental and (ii) no discriminatory advertising is used, and (iii) the owner owns no more than three single-family residences. Other restrictions apply.
 - D. An owner of residential property with one to four units who resides at the property, may be exempt from FHA for rental purposes, PROVIDED no real estate licensee is involved in the rental; and
 - E. Both FHA and FEHA do not apply to roommate situations. See *Fair Housing Council v Roommate com LLC*, 666 F.3d 1215 (2019).
 - F. Since both the 14th Amendment of the U.S. Constitution and the Civil Rights Act of 1866 prohibit discrimination based on race, the FHA and FEHA exemptions do not extend to discrimination based on race.

Buyer/Tenant and Seller/Housing Provider have read, understand and acknowledge receipt of a copy of this Fair Housing & Discrimination Advisory

Buyer/Tenant Mohamad Ali Khalil Mohamad Ali Khalil Date 03/27/2026

Buyer/Tenant Cecilia Khalil Cecilia Khalil Date 03/27/2026

Seller/Housing Provider _____ Date _____

Seller/Housing Provider _____ Date _____

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BUYER HOMEOWNERS' INSURANCE ADVISORY
(C.A.R. Form BHIA, 6/24)

- 1. **IMPORTANCE OF OBTAINING PROPERTY INSURANCE:** If the property you are purchasing is destroyed or damaged due to natural disaster or accident or some other event, insurance may be available to help with the cost of repair or rebuilding. In the absence of property insurance, the homeowner would be responsible for the full expense. If the property is purchased with a loan, or refinanced, the lender will require an insurance policy protecting its interest. Insurance policies can cover damage due to one or more of the following: fire, flood, earthquake and other causes. The policy or an insurance broker should be consulted to determine when coverage applies and whether a supplement or rider can be purchased to provide additional coverage or if a separate policy is necessary.
- 2. **PROPERTY INSURANCE AND PURCHASE CONTRACT TERMS:** Your real estate purchase contract may contain a contingency that gives you the right to legally cancel the agreement within a specified time if you are unable to obtain or afford property insurance. This cancellation right may be a specific contingency pertaining to insurance or may be part of an overall investigation contingency. If buyer waives or removes the applicable contingency before determining the availability and cost of property insurance, buyer is acting against the advice of broker. Additionally, if the property is part of an HOA, lenders may require and buyers will want to know that the HOA has adequate insurance to cover the areas for which the HOA is responsible.
- 3. **CALIFORNIA'S PROPERTY INSURANCE MARKET:** Some insurance carriers in California have stopped issuing new property insurance policies and others are limiting the number and location of new policies, due to rising replacement costs and an increase in natural disasters. These changes may affect both the availability and cost of insurance. However, over 50 insurance carriers are admitted to sell property insurance in California so it may be possible to obtain insurance even if some carriers will not write a new policy covering the property you intend to buy. An insurance broker may also be able to find a non-admitted insurance carrier offering to insure the property you intend to buy. Because locating an affordable insurance policy could take time and effort, buyers are advised to make all insurance inquiries as early in the home buying process as possible.
- 4. **INSURANCE CONDITIONS:** Many insurance carriers impose physical condition standards before issuing a policy, or reserve the right to cancel policies even after they are issued, if certain minimum standards are not confirmed in an inspection or otherwise. Physical conditions standards could include, but are not limited to, prohibition of "knob and tube" electrical wiring, requirements related to piping/plumbing materials, standards related to the age and/or quality of the roof or foundation, minimal safety standards related to handrails, tripping hazards, and defensible space requirements.
- 5. **RESOURCES:** The California Department of Insurance (DOI) maintains a website addressing Residential Home insurance. Resources on this State government webpage include: (i) Top Ten tips for Finding Residential Insurance; (ii) Residential Insurance Company Contact List; (iii) Home Insurance Finder; and (iv) information on other insurance issues. The webpage also includes information on how to contact the DOI, and suggestions on what to do if you cannot find insurance. The webpage and link to other documents is located at <https://www.insurance.ca.gov/01-consumers/105-type/5-residential/index.cfm>.
- 6. **BROKER RECOMMENDATION:** Buyer is advised to explore available property insurance options early in the home buying process and to consult with a qualified insurance professional of buyer's choosing to understand insurance availability and cost prior to removal of any related contingencies. Real estate brokers do not have expertise in this area.

By signing below, Buyer acknowledges that Buyer has read, understands, and has received a copy of this Buyer Homeowners' Insurance Advisory.

Buyer Mohamad Ali Khalil Mohamad Ali Khalil Date 03/27/2026

Buyer Cecilia Khalil Cecilia Khalil Date 03/27/2026

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BUYER HOMEOWNERS' INSURANCE ADVISORY (BHIA PAGE 1 OF 1)

e21 a better service, 8077 Florence Blvd Downey CA 90242 George Valencia	Phone: 5622507151 Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201	Fax: www.lwof.com Mohamad Ali
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WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY (C.A.R. Form WFA, Reviewed 6/25)

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

The ability to communicate and conduct business electronically is a convenience and reality in nearly all parts of our lives. At the same time it has provided hackers and scammers new opportunities for their criminal activity. Many businesses have been victimized and the real estate business is no exception.

While wiring or electronically transferring funds is a welcome convenience we all need to exercise extreme caution. Emails attempting to induce fraudulent wire transfers have been received and have appeared to be legitimate. Reports indicate that some hackers have been able to intercept emailed transfer instructions, obtain account information and, by altering some of the data, redirect the funds to a different account. It also appears that some hackers were able to provide false phone numbers for verifying the wiring or funds transfer instructions. In those cases, the victim called the number provided to confirm the instructions, and then unwittingly authorized a transfer to somewhere or someone other than the intended recipient.

ACCORDINGLY, YOU ARE ADVISED:

- 1. Obtain phone numbers and account numbers only from Escrow Officers, Property Managers, or Housing Providers at the beginning of the transaction.
2. DO NOT EVER WIRE OR ELECTRONICALLY TRANSFER FUNDS PRIOR TO CALLING TO CONFIRM THE TRANSFER INSTRUCTIONS. ONLY USE A PHONE NUMBER YOU WERE PROVIDED PREVIOUSLY. Do not use any different phone number or account number included in any emailed transfer instructions.
3. Orally confirm the transfer instruction is legitimate and confirm the bank routing number, account numbers and other codes before taking steps to transfer the funds.
4. Avoid sending personal information in emails or texts. Provide such information in person or over the telephone directly to the Escrow Officer, Property Manager, or Housing Provider.
5. Take steps to secure the system you are using with your email account. These steps include creating strong passwords, using secure WiFi, and not using free services.

If you believe you have received questionable or suspicious wire or funds transfer instructions, immediately notify your bank, and the other party, and the Escrow Office, Housing Provider, or Property Manager. The sources below, as well as others, can also provide information:

Federal Bureau of Investigation, https://www.fbi.gov/, the FBI's IC3 at www.ic3.gov or 310-477-6565

National White Collar Crime Center: http://www.nw3c.org/

On Guard Online https://www.onguardonline.gov/

NOTE: There are existing alternatives to electronic and wired fund transfers such as cashier's checks.

The term "Housing Provider" also includes Landlord or Rental Property Owner.

By signing below, Buyer/Tenant and Seller/Housing Provider acknowledge that each has received a copy of this Wire Fraud and Electronic Funds Transfer Advisory, and each has read and understands its terms.

Buyer/Tenant: Mohamad Ali Khalil, Date 03/27/2026
Buyer/Tenant: Cecilia Khalil, Signed by: Cecilia Khalil, Date 03/27/2026
Seller/Housing Provider: Michael C. Antwine II, Date 4/9/2026
Seller/Housing Provider: 315212E0D0284E2, Date

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WFA REVIEWED 6/25 (PAGE 1 OF 1)



WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY (WFA PAGE 1 OF 1)



CALIFORNIA CONSUMER PRIVACY ACT ADVISORY, DISCLOSURE AND NOTICE (C.A.R. Form CCPA, Revised 12/22)

The California Consumer Privacy Act (commencing with Civil Code § 1798.100) ("CCPA"), as amended by California voters in 2020, grants to California residents certain rights in their private, personal information ("PI") that is collected by companies with whom they do business.

During the process of buying and selling real estate your PI will be collected and likely shared with others, including real estate licensees, a Multiple Listing Service, real estate internet websites, service providers, lenders, and title and escrow companies, to name several possibilities.

You can obtain more information about the CCPA and your rights under the law from the State of California Department of Justice (oag.ca.gov/privacy/ccpa). Additionally, the California Privacy Protection Agency is authorized to promulgate regulations which may further clarify requirements of the CCPA (cppa.ca.gov/regulations/).

I/we acknowledge receipt of a copy of this California Consumer Privacy Act Advisory, Disclosure and Notice.

Buyer/Seller/Landlord/Tenant [Signature: Mohamad Ali Khalil] Date 03/27/2026
Buyer/Seller/Landlord/Tenant [Signature: Cecilia Khalil] Date 03/27/2026

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CCPA REVISED 12/22 (PAGE 1 OF 1)

CALIFORNIA CONSUMER PRIVACY ACT ADVISORY (CCPA PAGE 1 OF 1)

RESOLUTION NO. 2026-20

A RESOLUTION OF THE CITY COUNCIL OF THE OF THE CITY OF BELL, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT WITH MUHAMMAD KHALI AND CECILIA KHALIL FOR BELL COMMUNITY HOUSING AUTHORITY PROPERTY LOCATED AT 6624 FLORA AVENUE IN THE CITY OF BELL

WHEREAS, the BELL COMMUNITY HOUSING AUTHORITY ("BCHA") owns certain real property consisting of 11 multi-family housing units, located at 6624 Flora Avenue ("Property"); and

WHEREAS, the Surplus Land Act, Government Code sections 54220 et seq., applies when a local agency disposes of "surplus land," as that term is defined in Government Code section 54221; and

WHEREAS, on October 9, 2019, Governor Newsom signed Assembly Bill ("AB") 1486. AB 1486 significantly amended the Surplus Land Act effective January 1, 2020. These amendments included, among others, changing the previous, long-standing definitions of "surplus land" and "exempt surplus land"; providing that property shall be declared either "surplus land" or "exempt surplus land" before a local agency may take any action to dispose of it; and adding a new limitation providing that an "agency's use" "shall not include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development" or "property disposed of for the sole purpose of investment or generation or revenue"; and

WHEREAS, the Properties would fall within the definition of "surplus land" pursuant to Government Code section 54221, as amended by AB 1486; and

WHEREAS, in order to pursue new uses for the Properties, including the possible disposition through a sale or lease of the property, the city must now comply with the Surplus Land Act as amended by AB 1486 ("SLA"); and

WHEREAS, pursuant to the SLA, city staff will send a written notice of availability of the properties by electronic mail or by certified mail to all of the entities identified in Government Code section 54222; and

WHEREAS, staff issued a series of Notices of Availability (NOAs), which included the property at 6624 Flora Avenue, Bell, CA, 90201; and

WHEREAS, The City of Bell received four (4) proposals ranging from \$2.2 million to \$2.6 million; and

WHEREAS, in April 2026, the City Council directed staff to move forward in negotiations with the buyer; and

WHEREAS, as part of the buyer's proposal, they will make improvements to the property, and the property will remain multi-family residential properties with some affordability; and

WHEREAS, the Purchase and Sale Agreement process was preferred by the city and buyer, given the fact that these properties are being sold as-is; and

AGENDA ITEM 8

City of Bell Agenda Report

DATE: April 22, 2026

TO: Mayor and Members of the City Council

FROM: Michael L. Antwine II, City Manager
Javier Ochiqui, Assistant to the City Manager/
Interim Community Development Director

APPROVED BY: Michael L. Antwine II (e-signature)

BY: _____
Michael L. Antwine II, City Manager

SUBJECT: Approve the Purchase and Sale Agreement with Goldstar Enterprises, Inc. for Bell Community Housing Authority property located at 4205-4209 Bell Avenue and 6712-6718 Otis Avenue.

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt Resolution 2026-21 titled:

A RESOLUTION OF THE CITY COUNCIL OF THE OF THE CITY OF BELL, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT WITH GOLDSTAR ENTERPRISES, INC. FOR BELL COMMUNITY HOUSING AUTHORITY PROPERTY LOCATED AT 4205-4209 BELL AVENUE AND 6712-6718 OTIS AVENUE IN THE CITY OF BELL

BACKGROUND:

In 2025, the City issued a written Notice of Availability (NOA) regarding the property located at 4205-4209 Bell Avenue and 6712-6718 Otis Avenue to all of the entities identified in Government Code section 54222, which include local public entities and housing sponsors that have notified the California Department of Housing and Community Development ("HCD") of their interest in surplus land for the purpose of developing low-and moderate-income housing, to any regional park authority and the State Resources Agency for open-space purposes; and local school districts for the purpose of school facilities or use.

DISCUSSION:

During the 60-day NOA process the City did not receive any proposals in accordance with the Surplus Land Act. At the conclusion of the SLA process staff requested and received approval from the California Department of Housing and Community Development ("HCD") of the City's compliance with Surplus Land Act.

After which, staff engaged the services of Sperry Commercial Real Estate to advertise and market the property. Over the past several months, the City has received various inquiries but very limited

significant offers on the property.

Based on staff review, consultation with Sperry Real Estate and Council direction, staff is recommending the approval of Goldstar Enterprises, Inc. as the buyer for this property.

Goldstar Enterprises owns several other properties in the City of Bell and has committed to making improvements to the property to improve the aesthetic appearance of the property.

The City pays for property management fees and significant repair and maintenance costs associated with the ownership of this property. Additionally, the rent collected does not cover the City's costs of ownership of this 6-unit residential building.

Once the property is sold to a private owner, the property will be placed on the property tax roll, and the city can receive property tax revenue. Property Tax revenue is discretionary revenue deposited in the City's General Fund to assist the City with maintenance essential city services such as Public Safety, Parks and Recreation services and programs, and Transportation Services.

FISCAL IMPACT:

The property is being sold for One Million Dollars and Five-Hundred Thousand Dollars (\$1,500,000). Upon the close of escrow, the sales proceeds will be deposited in the City's Housing Fund.

ATTACHMENTS:

1. Resolution 2026-21
2. Purchase and Sale Agreement
3. Escrow Documents

RESOLUTION NO. 2026-21

A RESOLUTION OF THE CITY COUNCIL OF THE OF THE CITY OF BELL, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT WITH GOLDSTAR ENTERPRISES, INC. FOR BELL COMMUNITY HOUSING AUTHORITY PROPERTY LOCATED AT 4205-4209 BELL AVENUE AND 6712-6718 OTIS AVENUE IN THE CITY OF BELL

WHEREAS, the BELL COMMUNITY HOUSING AUTHORITY ("BCHA") owns certain real property consisting of six (6) residential units, located at 4205-4209 Bell Avenue and 6712-6718 Otis Avenue., ("Property"); and

WHEREAS, the Surplus Land Act, Government Code sections 54220 et seq., applies when a local agency disposes of "surplus land," as that term is defined in Government Code section 54221; and

WHEREAS, on October 9, 2019, Governor Newsom signed Assembly Bill ("AB") 1486. AB 1486 significantly amended the Surplus Land Act effective January 1, 2020. These amendments included, among others, changing the previous, long-standing definitions of "surplus land" and "exempt surplus land"; providing that property shall be declared either "surplus land" or "exempt surplus land" before a local agency may take any action to dispose of it; and adding a new limitation providing that an "agency's use" "shall not include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development" or "property disposed of for the sole purpose of investment or generation or revenue"; and

WHEREAS, the properties would fall within the definition of "surplus land" pursuant to Government Code section 54221, as amended by AB 1486; and

WHEREAS, in order to pursue new uses for the Properties, including the possible disposition through a sale or lease of the property, the city must now comply with the Surplus Land Act as amended by AB 1486 ("SLA"); and

WHEREAS, pursuant to the SLA, city staff sent a written notice of availability of the properties by electronic mail or by certified mail to all the entities identified in Government Code section 54222; and

WHEREAS, in 2025 staff issued a series of Notices of Availability (NOAs), which included the property at 4205-4209 Bell Avenue and 6712-6718 Otis Avenue., Bell, CA, 90201; and

WHEREAS, there have been very limited significant offers on this property and in April 2026, the City Council directed staff to move forward in negotiations with the buyer; and

WHEREAS, the Purchase and Sale Agreement process was preferred process given the fact that these properties will be purchased as-is and with affordability commitment from the buyer; and

WHEREAS, the City Council and Bell Community Housing Authority approves the sale of the property located at 4205-4209 Bell Avenue and 6712-6718 Otis Avenue in the amount of \$1,500,000 to Goldstar Enterprises, Inc.

Sperry Commercial Real Estate

PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

THIS DOCUMENT IS MORE THAN A RECEIPT FOR MONEY. IT IS INTENDED TO BE A LEGALLY BINDING AGREEMENT. READ IT CAREFULLY.

Sperry Commercial ("Broker"), as herein defined, will within the time specified in this Agreement receive (or, if checked has received) from **Goldstar Enterprises, Inc. and or assignee, Final vesting in escrow ("Buyer")** the sum of **Fifty Thousand (\$50,000)** as a deposit ("Deposit") to be held uncashed until opening of escrow and then deposited in escrow to be applied to the purchase price of that certain land and improvements (collectively, the "Property" located at **4205 Bell Avenue and 6712 – 6718 Otis Avenue** and more particularly described as follows:

8 Unit Apartment Building. Complete Legal in Escrow

TERMS AND CONDITIONS

Seller agrees to sell, and Buyer agrees to purchase, the Property on the following terms and conditions:

- 1) **PURCHASE PRICE:** The Purchase Price for the Property is **One Million Five Hundred Thousand (\$1,500,000)**, payable pursuant to the terms stated herein.
- 2) **DOWN PAYMENT:** Buyer shall make a cash down payment of **Four Hundred Fifty Thousand Dollars (\$450,000) which is 30% of Purchase Price or More dollars as required by Lender of Buyers Choice.**
- 3) **FINANCING: Buyer to Procure New Loan of One Million Fifty Thousand Dollars (\$1,050,000) which is 70% of Purchase Price or Less as Required by Lender of Buyers Choice.**
- 4) **ESCROW:** Within Three (3) calendar days after acceptance, Broker shall open escrow with **Sellers Choice** ("Escrow Holder") by the simultaneous deposit of a copy of this executed Agreement and Buyer's Deposit with Escrow Holder (defined as "opening of escrow"). Seller and Buyer shall execute such further documents or instruments as Escrow Holder may deem necessary to close this transaction within the Escrow Period. In the absence of same, this Agreement shall be binding and shall prevail. Close of escrow (or the "Closing Date") shall mean the date on which the deed transferring title to the Property is recorded and shall occur on or before **Sixty (60) Days or Sooner upon removal of contingencies.** Escrow fees shall be paid by seller and buyer per custom. All other closing costs not allocated in this Agreement shall be paid in accordance with the custom in the county where the Property is located.
- 5) **PRORATIONS:** Rents (which are assumed collected when due), real property taxes, assessments due prior to the Closing Date, premiums on insurance, interest on any debt being assumed or taken subject to by Buyer, and any other expenses of the Property shall be paid current and prorated as of the Closing Date. All tenant deposits, advance rentals, pre-paid contracts and the amount of any future lease credits shall be credited to Buyer. The amount of any bond or assessment which is a lien not yet due and not customarily paid with real property taxes shall be paid by Seller.
- 6) **TITLE:** Within Five _____ (5) calendar days after acceptance of this offer, Seller shall procure and cause to be delivered to Buyer a preliminary title report issued by **Sellers Choice Title Company** (the "Title Company") on the Property. Within Five (5) calendar days after receipt thereof, Buyer shall deliver to Seller written notice of any exceptions to which Buyer reasonably objects. Failure of Buyer to object within this time period is a waiver of exceptions to title shown in such report. If Buyer objects to any exceptions, Seller shall within **Close of Escrow** (____) calendar days after receipt of Buyer's objections, deliver to Buyer written notice that either (i) Seller has removed (or will prior to the Closing Date remove) the exceptions to which Buyer has objected to, or (ii) Seller is unwilling or unable to eliminate said exceptions. If Seller fails to so notify Buyer or is unwilling or unable to remove any such exception by the Closing Date, Buyer may, within 48 hours of the period and in the preceding sentence, elect in writing to terminate this Agreement and receive back the entire Deposit, in which event Buyer and Seller shall have no further obligation to buy or sell under this Agreement. In the event Buyer does not give notice of such election within that period, Buyer shall be deemed to have elected to purchase the Property subject to such exceptions. Seller shall convey the Property by Grant Deed delivered as of the Closing Date, conveying, marketable title subject only to the exceptions shown in the preliminary title report and not disapproved by Buyer in accordance with Agreement. All monetary liens, other than those agreed to be assumed by Buyer herein, shall be removed at or prior to the Closing Date without Buyer having to object to the same. Title shall be insured by **OB** standard California Land Title Association owner's policy of title insurance issued by the Title Company in the amount of the purchase price with premium paid by Seller. Any

Buyer's Initials JG

Seller's Initials Initial
MJ All

special endorsements, all coverage for the benefit of a lender, and the cost of any survey shall be paid for by Buyer. Buyer and Seller are advised to consult a title officer with any questions regarding the effect of any matter shown in the preliminary title report or the availability of different forms of title coverage.

7) **PERSONAL PROPERTY:** Title to any personal property to be conveyed to Buyer in connection with the sale of the Property shall be conveyed to Buyer by Bill of Sale on the Closing Date free and clear of all liens and encumbrances (except those approved by Buyer as provided above) and otherwise in "as is" condition. The price of such personal property shall be included in the purchase price for the Property.

8) **ASSIGNMENT OF WARRANTY RIGHTS:** Effective as of the close of escrow, Seller shall assign to Buyer all assignable warranty, contractual, and similar rights respecting goods and services that have been furnished for the repair, maintenance, or improvement of the Property by third party contractors, vendors, or service providers. The parties understand that not all rights involving such third parties are assignable, and neither Seller nor Broker has made any representation to the contrary. Buyer is advised to investigate all such matters in the course of Buyer's due diligence and receive written verification from any such third party.

9A) **TERMITE_PROPERTY TO BE SOLD 'AS IS'**

10) **DOCUMENT CONTINGENCIES:** Seller agrees to provide to Buyer complete copies of the items listed below within Three (3) calendar days after acceptance of this offer.

- a. All current rental agreements, leases, ground leases, water or mineral agreements, service contracts, insurance policies, and tax bill(s) affecting the Property.
- b. Operating statement of the Property for the **Twelve Calendar Months (12)** calendar months immediately preceding the acceptance of this offer. **If Available**
- c. All notes and mortgages or trust deeds affecting the Property which are to be assumed or taken subject to by Buyer.
- d. Complete, current rent roll, including a schedule of all tenant deposits, prepaid rent, credits, fees, dates to which rent has been paid, expiration dates of leases, and renewal options.
- e. Inventory of all items of Personal Property included in the sale.
- f. All records, reports, test results, certifications, and other documentation or information in the possession of or reasonably obtainable by Seller regarding the existence of any toxic or hazardous substances known to Seller to be on, in, under, or affecting the Property, including without limitation mold, asbestos, petroleum, petrochemicals, lead-based paint, or lead-based paint hazards in, on, or about the Property or the soil thereunder.
- g. If the Property qualifies as residential real property under the Residential Lead-Based Paint Hazard Reduction Act of 1992 and any portion of the Property was constructed on or before January 1, 1978, Seller will also provide to Buyer the pamphlet entitled "Protect Your Family From Lead in Your Home" or a substitute pamphlet approved by the Environmental Protection Agency and will complete and deliver to Buyer a lead-based paint disclosure form.

h. The following items, if readily available to Seller:

i. Buyer shall acknowledge receipt of items a. through h. in writing. Buyer shall have **Seventeen (17) calendar days** after receipt of each of those items to review and approve same in writing. If Buyer fails to approve each of these items within the specified time, this Agreement shall be null and void. Buyer's entire Deposit shall be returned, and Buyer and Seller shall have no further obligation to buy or sell hereunder.

11A) _____ (Initials) **BUYER'S INSPECTION AND INVESTIGATION:** Buyer shall have **Seventeen (17) calendar days** after acceptance of this offer to inspect and investigate the physical condition of the Property, including all systems and components therein, but not limited to interior inspection, soil conditions, and the presence or absence of hazardous materials on or about the Property, the possible presence of lead-based paint and lead-based paint hazards, analysis of federal, State and local laws to determine whether the Property complies or fails to comply, or must be brought into compliance, with any safety, regulatory, zoning, energy conservation, retrofit or other applicable standards or requirements either as a condition of sale or transfer or otherwise, including what changes to the Property, if any, are required under the Americans With Disabilities Act or any similar or other federal, State or local law, the availability of any development, construction or other permits desired by Buyer, and all other matters of interest Buyer respecting or affecting the Property, and to notify the Seller in writing the Buyer approves same. If Buyer fails to approve the physical condition of the Property in writing within the specified time, this Agreement shall be null and void. Buyer's entire Deposit shall be returned, and Buyer and Seller shall have no further obligation to buy or sell hereunder. All costs of any such inspection and testing shall be paid by Buyer.

11B) _____ (Initials) **WAIVER OF PHYSICAL INSPECTION:** This Agreement is not subject to any physical inspection contingencies. Buyer warrants that Buyer is knowledgeable in real estate matters and has made all investigations and inspections which

Buyer's Initials

Seller's Initials

Buyer deems necessary or appropriate with regard to the purchase of the Property. Buyer acknowledges and agrees that Buyer is not relying upon any representations, warranties or advice made or given by Seller or Broker in electing to waive physical inspection contingencies.

12) **CONDITION OF PROPERTY:** It is understood and agreed that the Property is being sold "as is" and "where is," that Buyer has, or prior to the Closing Date will have, inspected the Property, and that neither Seller nor Broker makes or gives any representation, warranty, or advice as to the any aspect of the Property, including without limitation its physical condition, value, compliance with laws, neighborhood conditions, future developability, or suitability for Buyer's intended use.

A. However, all plumbing, heating, and electrical shall be in normal working condition at close of escrow.

B. However, for park owned mobile units, (1) all vacant units shall be in rent ready condition at close of escrow, and (2) Seller shall complete any evictions currently in process and shall be credit or pay Buyer for any loss of rent from close of escrow until the affected unit(s) are vacated and rent ready

13) **DEPOSIT INCREASE:** Upon removal of the contingencies set forth in paragraph(s) _____ hereof, Buyer shall deposit in escrow sufficient funds to increase the Deposit to **Not Applicable** _____ dollars (\$_____). The entire Deposit shall be credited to the purchase price as of the Closing Date unless otherwise provided herein.

14) **DEPOSITS IN ESCROW:** Buyer's Deposit (unless previously deposited in escrow) shall be placed in escrow by Broker upon acceptance. Prior to the Closing Date, Seller shall execute and deliver to escrow holder the Grant Deed referred to in paragraph 6. Buyer and Seller shall execute escrow instructions directing the Escrow Holder to release immediately from escrow and deliver to Seller Buyer's entire Deposit (including increases, if any). Seller shall hold Buyer's Deposit subject to the remaining terms and conditions of this Agreement. If the Property is made unmarketable by Seller, or acts of God, this Agreement shall be void, Buyer's entire Deposit shall be returned, the deed shall be returned to Seller, and Buyer and Seller shall have no obligation to buy or sell hereunder.

15) **SELLER DISCLOSURES:**

a. **Material defects:** To the best of Seller's knowledge, Seller knows of no material defects of the Property, including but not limited to structural defects, engineering defects, energy conservation and/or safety retrofit(s) required by federal, state, or local law as a condition of transfer of the Property. (Note any exceptions: _____.)

b. **Compliance with laws:** To the best of Seller's knowledge, the Property and all improvements thereon are in compliance with all applicable laws, codes, regulations and other similar governmental standards and requirements and that no material structural modifications or alterations of the improvements on the Property have been made without appropriate permits. (Note any exceptions: _____.)

Eight (8)

JG [Signature]

c. **Legal units:** To the best of Seller's knowledge, the Property has **Five (5)** legal units. (This paragraph typically applies to apartment complexes and mobile home parks only, but could include office condominiums or retail suites.)

d. **Natural Hazards Disclosure:** A Natural Hazards Disclosure report shall be obtained during escrow, at Seller's expense, from a recognized vendor of such reports, and shall be furnished to Buyer containing disclosures required by law.

e. **Environmental Matters; Hazardous and Toxic Materials:** To the best of Seller's knowledge, the Property is not contaminated with and does not contain any toxic or hazardous materials, including, but not limited to asbestos, mold, PCBs, other toxic, hazardous or contaminated substances, or underground storage tanks. Seller agrees to disclose to Broker and to prospective Buyers any and all information which Seller has or may acquire prior to close of escrow regarding the presence and location of any hazardous material on or about the Property. **Buyer is advised and agrees to make Buyer's own investigation regarding hazardous materials during physical inspection period.** (Note any exceptions: _____.)

f. **Lead-based paint hazard:** To the best of Seller's knowledge, there is no lead-based paint or lead-based paint hazard in, on, or about the Property or the soil thereunder. (Note any exceptions: _____.)

g. **Insurance Claims:** Within five (5) days after acceptance of this offer, Seller will provide Buyer with access to (or copies of) records of all insurance claims known to Seller involving loss or damage to property or injury to persons filed within the past five (5) years.

Buyer's Initials

Seller's Initials

JG [Signature]
[Signature]

16) **ESTOPPEL CERTIFICATES (Commercial LEASED PROPERTIES):** Seller shall obtain and deliver to Buyer within Not Applicable (____) calendar days after the last contingency set forth herein is removed, estoppel letters or estoppel certificates ("Estoppel Certificates") from each lessee or tenant of the Property stating: (a) the date of commencement and the scheduled date of termination of the lease, (b) the amount of advance rent and other deposits paid to Seller, (c) the amount of monthly (or other periodic) rent and other charges, (d) that the lease is in full force and effect and unmodified with no future rental credits due tenant or, if there have been any modifications or amendments, or future rental credits due tenant, an explanation of same, (e) square footage (if set forth in the lease), and (f) that there are no uncured defaults under the terms of the lease by lessor or lessee or an explanation of any such defaults. Seller agrees to obtain Estoppel Certificates signed by tenants of at least 90% of the net rentable square footage occupied, and further agrees to sign and obligate Seller on Estoppel Certificates for the remaining occupied square footage. Buyer shall have _____ (____) calendar days after receipt to disapprove, in writing, the Estoppel Certificates and cancel this Agreement, but only if the Estoppel Certificates reflect gross income from the Property or other terms and conditions that are materially less favorable than that previously represented by Seller. Upon such disapproval, Buyer's entire Deposit shall be returned, and Buyer and Seller shall have no further obligations hereunder.

17) **RISK OF LOSS:** Risk of loss to the Property shall be borne by Seller until title has been conveyed to Buyer. In the event improvements on the Property are destroyed or materially damaged between acceptance of this Agreement and the Closing Date, Buyer shall have the option of demanding and receiving back the entire Deposit, in which event Buyer and Seller shall be released from all obligations hereunder, or accepting the Property in its then present condition. Upon Buyer's physical inspection and approval of the Property, Seller shall maintain the Property through close of escrow in the same condition and repair as approved, reasonable wear and tear excepted.

18) **POSSESSION:** Possession of the Property shall be delivered to Buyer on the Closing Date upon verification of recording of the deed. All keys, opening devices, leases, rental agreements, ongoing vendor contracts etc., shall be delivered to Buyer at close of escrow.

19) **LIQUIDATED DAMAGES:** By placing their initials immediately below, Buyer and Seller agree that it would be impractical or extremely difficult to fix actual damages in the event of a default by Buyer, that the amount of Buyer's Deposit hereunder (as same may be increased by the terms hereof) is the parties reasonable estimate of Seller's damages in the event of Buyer's default, and that upon Buyer's default in its purchase obligations under this Agreement, not caused by any breach or fault of Seller, Seller shall be released from its obligation to sell the Property and shall retain Buyer's Deposit (as same may be increased by the terms hereof) as liquidated damages, which shall be Seller's sole and exclusive remedy in law or at equity for Buyer's default.

Seller's Initials Michael L. Antwine II Buyer's Initials JG
2152426000284E2

20) **SELLER EXCHANGE:** Seller shall have the right (provided Seller notifies Buyer in writing at least ten (10) days prior to Closing Date) to designate a parcel or parcels of other real property as the "Upleg" or "Exchange Property" which Seller would like to acquire in exchange for the Property for purposes of Internal Revenue Code 1031. Buyer shall cooperate with Seller in effecting such an exchange provided that: (a) the acquisition and exchange of any Exchange Property shall not impose upon Buyer additional liability or financial obligations; and (b) Seller shall indemnify and hold Buyer harmless from all liabilities, claims, losses, or actions which Buyer incurs or to which Buyer may be exposed as a result of Buyer's participation in the contemplated exchange. In order to permit Seller to locate Exchange Property, close of escrow shall not occur earlier than _____ (____) calendar days after opening of escrow unless Seller agrees otherwise. This Agreement is not contingent upon Seller's ability to locate Exchange Property or effectuate an exchange. In the event any exchange contemplated by Seller fails to occur for any reason, the sale of the Property shall nonetheless be consummated as provided herein.

21) **BUYER EXCHANGE:** Buyer shall have the right (provided Buyer notifies Seller in writing at least ten (10) days prior to the Closing Date) to designate the Property as the "Upleg" or "Exchange Property" which Buyer wishes to exchange for other real property disposed of by Buyer for purposes of Internal Revenue Code Section 1031. Seller shall cooperate with Buyer in effecting such an exchange provided that: (a) Seller shall not incur additional liability or financial obligations as a consequence of Buyer's exchange; (b) Buyer's exchange shall not reduce the net amount to which Seller is entitled under this Agreement; and (c) Buyer shall indemnify and hold Seller harmless from all liabilities, claims, losses, or actions which Seller incurs or to which Seller may be exposed as a result of Seller's participation in the contemplated exchange. This Agreement is not contingent upon Buyer's ability to effectuate an exchange. In the event any exchange contemplated by Buyer fails to occur for any reason, the sale of the Property shall nonetheless be consummated as provided herein.

22) **AUTHORIZATION:** Buyer and Seller authorize Broker to disseminate sales information regarding this transaction, including the purchase price of the Property.

Buyer's Initials JG Initial
Seller's Initials Atall

23) AGENCY:

A. **POTENTIALLY COMPETING BUYERS AND SELLERS:** Buyer understands that Broker representing Buyer may also represent other potential buyers, who may consider, make offers on, or ultimately acquire the Property. Seller understands that Buyer may consider, make offers on, or purchase other properties similar to the Property. Buyer and Seller acknowledge and consent to Broker(s) representation of such potential buyers and sellers before, during, and after Broker(s) representation of Buyer and Seller herein.

B. **CONFIRMATION:** The following agency relationships are hereby confirmed for this transaction

Listing Agent Sperry Commercial Luis Vazquez

Selling Agent Sperry Commercial (Print Firm Name) is the agent of the Buyer and Seller exclusively. In the event one Broker represents both Seller and Buyer, (1) Seller and Buyer hereby confirm that they have been advised that such dual representation creates a conflict of interest in that Broker may discover facts or form opinions which, if Broker represents only one of the parties, Broker may choose to disclose only to the party it represents, but which, because of the dual agency, Broker may deem appropriate to disclose to both parties, (2) Seller and Buyer hereby agree that the benefits outweigh the detriments of dual agency in this transaction and that they do not expect or rely upon said Broker to disclose facts or opinions that Broker in its sole discretion deems confidential or otherwise inappropriate for a dual agent to disclose. Buyer and Seller hereby instruct Broker to proceed as above and waive any conflict of interest and liability arising from the dual agency, and any lack of disclosure of facts or opinions which Broker believes, correctly or incorrectly, is confidential or otherwise inappropriate for disclosure by a dual agent.

24) **IMPUTED INTEREST** Seller and Buyer are advised that financing carried back by Seller, and existing financing, either assumed or taken subject to, may be subject to imputed interest rules for federal and state income tax purposes. The parties are advised to consult their tax advisors with regard to these matters.



25) **SQUARE FOOTAGE; BOUNDARIES:** During physical inspection period, Buyer agrees to conduct its own investigation as to actual gross and net square footage of building(s) and land, and of the true boundaries of the Property. Seller and Broker make no representations regarding those matters.

26) **FIRPTA COMPLIANCE:** Seller and Buyer agree to execute and deliver any instrument, affidavit or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act (FIRPTA) and regulations promulgated thereunder, California withholding law, and any other applicable federal, state, or local tax laws.

27) **INSPECTION OF PROPERTY:** Seller agrees that Broker, Buyer, and their representatives shall have the right to enter upon and inspect the interior and exterior of the Property at any time during escrow during business hours by appointment.

28) **OTHER BROKERS:** Broker reserves the right to determine on what terms and conditions it cooperates with other licensed real estate brokers not affiliated with Broker. Furthermore, Buyer and Seller agree that, in the event any broker other than Broker or a broker affiliated with Broker is involved in the disposition of the Property, Broker shall have no liability to Buyer or Seller for the acts or omissions of such other broker, **who shall not be deemed subagents of Broker.**

29) **BROKER DISCLAIMER.** Buyer and Seller acknowledge that, except as otherwise expressly stated herein, Broker has made no warranties or representations respecting the Property, including without limitation any of the following, under any federal, state, or local law: (a) legality of the present or any possible future use of the Property; (b) pending or possible future action by any governmental entity or agency which may affect the Property; (c) the physical condition of the Property, including without limitation soil conditions, structural integrity of improvements, or presence or absence of mold, fungi, or wood destroying organisms or pests or dry rot; (d) accuracy or completeness of income and expense information and projections, square footage figures, or boundaries or possible encroachments of the Property; (e) text or accuracy of leases, options, and other agreements affecting the Property, or reports from any source concerning or affecting the Property; (f) the possibility that leases, options, or other documents exist which affect or encumber the Property and which have not been provided or disclosed by Seller; or (g) the possible presence or location of toxic or hazardous substances on or below the surface of the Property, including, but not limited to, asbestos, radon, petroleum, petrochemicals, PCBs, lead-based paint or lead-based paint hazards, other toxic, hazardous, or contaminated substances, and underground storage tanks. **Regarding (g) above, Broker further recommends that Buyer seek independent professional counsel to determine presence and/or location of any such toxic or hazardous materials or tanks.** Buyer agrees that investigation and analysis of the foregoing matters are Buyer's sole responsibility and that Buyer shall not hold Broker responsible therefor. **Buyer and Seller acknowledge and agree that (a) Brokers do not decide what price Buyer should pay or Seller should accept; (b) Brokers do not guarantee performance by others who may provide services or products to Buyer or Seller; and (c) Buyer and Seller will seek appropriate legal, tax, insurance, title, and other desired assistance from appropriate professionals.**

Buyer's Initials  Initial
Seller's Initials 

30) **SCOPE OF BROKER'S RESPONSIBILITY:** Broker shall have no responsibility or liability for performing or arranging any due diligence or other investigation of the Property on behalf of Buyer or Seller, or for providing either party with any information or documentation provided by the other party or any third party, or for determining or correcting any inaccuracy or incompleteness in any such information or documentation, or for professional advice with respect to any legal, tax, engineering, zoning, governmental land use, construction, hazardous materials, or other issues. Except for maintaining the confidentiality of any information regarding Buyer or Seller's financial condition and any future negotiations regarding the terms of this Purchase Agreement, Buyer and Seller agree and acknowledge by this Agreement that their relationship with Broker is at arm's length and is neither confidential nor fiduciary in nature.

31) **LIMITATION OF LIABILITY:** Except for Broker's gross negligence, actual fraud, or willful misconduct, Broker's liability for any breach or negligence in its performance of its duties in connection with this Agreement, including without limitation claims for breach of fiduciary duty and constructive fraud, shall be limited to the greater of \$10,000 or the amount of compensation actually received by Broker in any transaction hereunder.

32) **RESOLUTION OF DISPUTES.**

a. **MEDIATION:** (Applies whether or not Arbitration is initialed.) ANY CLAIM OR DISPUTE OF ANY KIND BETWEEN BUYER AND SELLER WHICH THE PARTIES ARE UNABLE TO RESOLVE BETWEEN THEMSELVES SHALL BE SUBMITTED TO MEDIATION PRIOR TO COMMENCING AN ARBITRATION (IF APPLICABLE) OR LAWSUIT. IF BUYER OR SELLER COMMENCES AN ARBITRATION (IF APPLICABLE) OR LAWSUIT WITHOUT FIRST SEEKING TO RESOLVE THE CLAIM OR DISPUTE THROUGH MEDIATION, OR FAILS TO PARTICIPATE IN MEDIATION REQUESTED BY THE OTHER BUYER OR SELLER PARTY, THEN IF SUCH PARTY IS SUCCESSFUL IN THE ARBITRATION (IF APPLICABLE) OR LAWSUIT, SUCH PARTY SHALL NOT BE ENTITLED TO RECOVER ITS ATTORNEY'S FEES EVEN IF OTHERWISE AVAILABLE TO SUCH PARTY

ARBITRATION:

(1) ANY DISPUTE OR CLAIM BETWEEN BUYER AND SELLER ARISING FROM THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREIN SHALL BE SETTLED BY BINDING ARBITRATION UNDER THE COMMERCIAL ARBITRATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION. JUDGMENT ON THE AWARD RENDERED BY THE ARBITRATOR(S) MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. FILING A COURT ACTION TO OBTAIN PROVISIONAL REMEDIES SHALL NOT CONSTITUTE A WAIVER OF THIS PROVISION.

(2) THE ARBITRATOR(S) SHALL BE A RETIRED JUDGE OR AN ATTORNEY WITH AT LEAST TEN (10) YEARS OF COMMERCIAL REAL ESTATE LAW EXPERIENCE. THE ARBITRATION SHALL BE DECIDED IN ACCORDANCE WITH SUBSTANTIVE CALIFORNIA LAW. THE PARTIES SHALL HAVE THE RIGHT TO CONDUCT DISCOVERY IN ACCORDANCE WITH CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 1283.05 AND TO THE SAME EXTENT AS IN A CIVIL ACTION. THE ARBITRATION SHALL OTHERWISE BE CONDUCTED IN ACCORDANCE WITH TITLE 9, PART III, CALIFORNIA CODE OF CIVIL PROCEDURE. THIS AGREEMENT TO ARBITRATE SHALL BE INTERPRETED IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT.

(3) **BROKERS:** BUYER AND SELLER AGREE TO MEDIATE AND ARBITRATE ANY DISPUTE OR CLAIM INVOLVING EITHER OR BOTH BROKER(S), PROVIDED EITHER OR BOTH BROKERS AGREE(S) TO SUCH MEDIATION OR ARBITRATION PRIOR TO OR WITHIN A REASONABLE TIME AFTER THE DISPUTE OR CLAIM IS PRESENTED BY OR TO SUCH BROKER(S). PARTICIPATION IN MEDIATION OR ARBITRATION SHALL NOT RESULT IN BROKER(S) BEING DEEMED A PARTY TO THIS AGREEMENT OR THE TRANSACTION FOR ANY OTHER PURPOSE.

(4) **NOTICE:** BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY A NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN COURT OR JURY TRIAL, AND ARE GIVING UP MOST OF YOUR RIGHTS OF APPEAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. NOTWITHSTANDING THIS WAIVER OF RIGHTS TO DISCOVERY, IN ANY CASE IN WHICH BROKER SUES FOR AN UNPAID COMMISSION, BROKER SHALL BE ENTITLED TO THE PRODUCTION OF ALL NONPRIVILEGED DOCUMENTS DEMANDED OR SUBPOENAED BY BROKER FROM BUYER AND SELLER, OR ANY THIRD PARTY TO THE ARBITRATION.

Buyer's Initials JG Initial
Seller's Initials Mall

IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Buyer's Initials: JG

Seller's Initials: MJall

e. **WAIVER OF JURY TRIAL.** (Applies whether or not Arbitration is initiated.) ANY COURT ACTION ARISING FROM THIS AGREEMENT OR THE TRANSACTION CONTEMPLATED HEREIN, OR RELATING TO THE PAYMENT OF COMPENSATION TO THE BROKERS, SHALL BE HELD AND DETERMINED BEFORE THE APPROPRIATE COURT WITHOUT A JURY, IN THE INTEREST OF SAVING TIME AND EXPENSE.

33) **SUCCESSORS & ASSIGNS:** This Agreement hereto shall be binding upon and inure to the benefit of the parties, their heirs, successors, agents, representatives, and assigns.

34) **ATTORNEY'S FEES:** In any litigation, arbitration or other legal proceeding which may arise between any of the parties hereto, including Broker, the prevailing party shall be entitled to recover all of its costs, including the costs of arbitration, and reasonable attorney's fees in addition to any other relief to which such party may be entitled.

35) **TIME:** Time is of the essence of all provisions of this Agreement for which a time period is expressed.

36) **NOTICES:** All notices required or permitted hereunder shall be given to the parties in writing (with a copy to Broker) at their respective addresses set forth below and shall be effective upon receipt. If the date on which any act required or permitted to be performed under this Agreement falls on a Saturday, Sunday or Legal Holiday, the time for performance shall be extended to the next business day.

37) **OTHER TERMS AND CONDITIONS.**

38) **ENTIRE AGREEMENT; MODIFICATION:** This Agreement, including any addenda, attachment, or supplement that is signed or initialed by the parties, if any, expresses the entire agreement of the parties and supersedes all prior agreements, understandings, and communications between the parties regarding the Property. There are no other understandings, oral or written, which in any way alter or enlarge its terms, and there are no warranties or representations of any nature, either express or implied, except as set forth herein. In the event any escrow instruction contains a term or provision inconsistent with this Agreement, this Agreement shall govern and prevail. Any future modification of this Agreement will be effective only if it is in writing and signed by the parties hereto.

39) **DISCLOSURE OF REAL ESTATE LICENSURE:** _____ is are licensed agent(s) or broker(s) acting as principal(s) in this transaction.

40) **SPERRY COMMERCIAL:** All references in this Agreement to Sperry Commercial are to _____ a franchisee independently owned of Sperry Commercial, Inc., a Delaware corporation. All Sperry Commercial offices are independently owned and operated.

41) **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any claim or dispute arising from this Agreement shall be determined exclusively before the appropriate tribunal situated in Orange County, California.

42) **OFFER:** Buyer hereby offers and agrees to purchase the Property for the price and upon the terms and conditions stated herein. This offer is made by Buyer to Seller on **April 16, 2026**. Buyer acknowledges receipt of an executed copy of this Agreement and authorizes Broker to deliver an executed copy to Seller. Unless acceptance hereof is made by Seller's execution of this Agreement and delivery of a fully executed copy which is actually received by Buyer or Buyer's Agent herein, in person or by facsimile, on or before **14 Days from the date of signature below** this offer shall be null and void, Buyer's Deposit shall be returned, and Buyer and Seller shall have no further obligation to buy or sell hereunder. Acceptance shall be effective upon actual receipt by Buyer or Buyer's agent.

Buyer's Initials: JG
Seller's Initials: MJall

DocuSigned by:

BUYER:

Joe Gomez

Joe Gomez

Goldstar Enterprises, Inc

ABC494D6D433489

(Print Name of Entity or Individual Buyer)

a _____

By: _____

Name/Title: _____

BUYER:

a _____

(Print Name of Entity or Individual Buyer)

By: _____

Name/Title: _____

4/16/2026

DATE:

ADDRESS: _____

FACSIMILE: _____

PHONE: _____

ADDRESS: _____

FACSIMILE: _____

PHONE: _____

DS
JG

Buyer's Initials _____

Seller's Initials _____

SELLER'S ACCEPTANCE AND AGREEMENT TO PAY COMMISSION:

Seller hereby accepts the foregoing offer and agrees to sell the Property to Buyer for the price and on the terms and conditions stated herein (**SUBJECT TO ATTACHED COUNTER OFFER**). Seller acknowledges receipt of an executed copy of this Agreement and authorizes Broker to deliver an executed copy to Buyer. Seller reaffirms its agreement to pay to Broker a real estate brokerage commission for services rendered, equal to **Per Representation Agreement**, ___ percent (%) of the sales price of the Property, payable as follows: (a) on the Closing Date in cash through escrow, or (b) in the event completion of the sale is prevented by default of Seller, then Seller shall immediately pay to Broker the entire commission, or (c) in the event completion of the sale is prevented by default of Buyer, then Seller shall pay to Broker an amount equal to one half of any damages or other monetary compensation (including liquidated damages) collected by Seller from Buyer by suit or otherwise as a consequence of Buyer's default, provided that the total amount paid to Broker by Seller shall not in any case exceed the brokerage commission set forth above. Seller acknowledges and agrees that the existence of any direct claim which Broker may have against Buyer in the event of Buyer's default shall not alter or in any way limit the obligations of Seller to Broker as set forth herein. Escrow Holder is hereby irrevocably instructed to make such payment to Broker from Seller's proceeds through Escrow. That certain Representation Agreement between Broker and Seller dated **on file with broker** shall remain in full force and effect. The provisions of this paragraph and any conforming escrow instruction may be amended or modified only with the written consent of Broker.

Signed by: Michael L. Antwine II
SELLER: _____ ADDRESS: _____
315212E0D0284E2
(Print Name of Entity or Individual Buyer)

a _____ FACSIMILE: _____

By: Michael L. Antwine II PHONE: _____

Name/Title: Michael L. Antwine II City Manager/Executive Director

SELLER: _____ ADDRESS: _____
(Print Name of Entity or Individual Buyer)

a _____ FACSIMILE: _____

By: _____ PHONE: _____

Name/Title: _____

DATE: 4/17/2026

BROKER CONFIRMS THE FOREGOING AGENCY RELATIONSHIPS AND COMMISSION ARRANGEMENT:

_____ a franchisee independently owned of _____ ADDRESS: _____
SPERRY COMPANY, Inc., a Delaware corporation:

By: Luis Vazquez FACSIMILE: _____
3216924CE4F24F4

Name: Luis Vazquez PHONE: _____

DATE: 4/16/2026

NO REPRESENTATION IS MADE BY BROKER AS TO THE LEGAL OR TAX EFFECT OR VALIDITY OF ANY PROVISIONS OF THIS AGREEMENT. A REAL ESTATE BROKER IS QUALIFIED TO GIVE ADVICE ON REAL ESTATE MATTERS. IF YOU DESIRE LEGAL, TAX, OR OTHER ADVICE, CONSULT YOUR ATTORNEY, TAX ADVISOR, OR OTHER APPROPRIATE PROFESSIONAL.

Buyer's Initials [Signature]
Seller's Initials [Signature]