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Attorneys for Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re
 LEFEVER MATTSON, a California
 corporation, et al.
 Debtors.¹

Case No. 24-10545 CN (Lead Case)
 (Jointly Administered)
 Chapter 11

In re
 KS MATTSON PARTNERS, LP,
 Debtor.

**NOTICE OF SALE OF SUBJECT
 PROPERTY LOCATED AT 62
 FARRAGUT AVENUE #B, PIEDMONT,
 CA 94610**

(RESIDENTIAL SALE)

**LIEN HOLDER: Serene Investment
 Management LLC (DIP Lender) (No
 recording number)**

¹ The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSM's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 6359 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <http://usitcclabel.net/UM>

1 **PLEASE TAKE NOTICE THAT** pursuant to the *Order Granting Motion of Debtor*
2 *KSMP to Establish Procedures for Real Property Sales* [Dkt. No. 2694] (the “Sale Procedures
3 Order”) ¹ entered on October 24, 2025, KS Mattson Partners, a California limited partnership
4 (“KSMP”) in the above-captioned chapter 11 cases, proposes to sell certain of its real property in
5 accordance with the approved Sale Procedures Order. The proposed sale has the following terms:

6 **1. The address of the property proposed to be sold (the “Subject Property”):**

7 62 FARRAGUT AVENUE #B
8 PIEDMONT, CA 94610-1256

9 APN: 051-4786-008-00

10 **2. The sale price is \$1,335,000.**

11 **3. Title holder of the Subject Property:** *K S MATTSON PARTNERS, LP*, a
12 California limited partnership.

13 **4. Existing Liens and Other Interests:** Serene Investment Management, LLC (the
14 “DIP Lender”) holds a post-petition lien against the Subject Property for all amounts
15 owing under the certain *Debtor-in-Possession Loan and Security Agreement*
16 dated as of September 22, 2025, by and among KSMP and the DIP Lender, which
17 was approved by the Court pursuant to its Order dated September 25, 2025 (the
18 “DIP Facility”).

19 The current amount outstanding under the DIP Facility is \$1,242,000.

20 In addition, the United States of America (the “United States”) has recorded a
21 Notice of Lis Pendens against Subject Property (May 23, 2025; Instrument No.
22 2025067539) (the “Lis Pendens”). The Lis Pendens is premised on forfeiture
23 allegations in the indictment filed May 13, 2025 in the case captioned *United*
24 *States of America v. Kenneth W. Mattson*, Case No. 3:25-cr-00126-CRB (N.D.
25 Cal.) (the “Indictment”). The Indictment asserts counts of wire fraud, money
26 laundering and obstruction of justice against Mr. Mattson, and alleges that the
27 Subject Property is subject to forfeiture as constituting, or derived from,
28 proceeds Mr. Mattson obtained directly and indirectly as a result of the alleged
wire fraud and money laundering violations. Mr. Mattson asserts his innocence.

Sale of the Subject Property free and clear of the DIP Lender’s lien is proper
pursuant to section 363(f)(5) because the DIP Lender could be compelled to accept
a money satisfaction of its interest.

Sale of the Subject Property free and clear of the claims underlying the Lis
Pendens is proper under section 363(f)(4) because the claims the United States
brings in the Indictment, which form the basis of the Lis Pendens, are subject to
a bona fide dispute in that Mr. Mattson asserts his innocence.² Section 363(f)(4)

¹ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Order.

² KSMP is certainly not adopting the position that Mr. Mattson is innocent of the charges in the Indictment.
Rather, it is a matter of record that Mr. Mattson is contesting the charges.

permits a sale free and clear where there is an objective basis for concluding that there is a factual or legal dispute as to the validity, priority, or extent of the asserted interest. Courts may authorize sales free and clear of the claims to which a *lis pendens* gives notice where the underlying claims are contested or unresolved. *See In re Mundy Ranch, Inc.*, 484 B.R. 416, 424-25 (Bankr. D.N.M. 2012) (holding that *lis pendens* was not an interest in property but that debtor could sell free and clear of the claims of which the *lis pendens* gave notice).

KSMP proposes to sell the Subject Property free and clear of the DIP Lender's lien and the *Lis Pendens*, with any rights or interests asserted by the DIP Lender or the United States continuing against the sale proceeds with the same validity, priority, extent and status as they may have against the Subject Property. KSMP further proposes that the sale proceeds, net of closing costs and payment of property taxes, be held in a segregated account pending further order of the Court.³

5. **The Subject Property was marketed as follows:** Since listing the Subject Property on September 18, 2025, Premiere Estates International Real Estate ("Premiere Estates") has undertaken a broad marketing effort, including publication on the MLS, Zillow, Realtor.com, and the Premiere Estates company website. The listings have generated approximately 186 online views, and Premiere Estates has supplemented the online marketing with approximately 110,000 e-mails to its database of buyers, investors, lenders, and agents. Because the Subject Property is not staked or surveyed land, satellite imagery was used for marketing materials. The Subject Property generated 6 offers, ranging from the list price of \$650,000 to the highest offer of \$1,335,000.

Given the results of the marketing process, totality of circumstances, and the fact that the buyer's offer—which was substantially above the \$650,000 asking price—the Responsible Individual reasonably concluded that accepting the offer was in the best interests of KSMP's bankruptcy estate and, in the sound exercise of her reasonable business judgment, did so on October 10, 2025.

6. **Proposed Buyer:** *DIMA TSENTER & CHARGE PARTNERS, LLC (and/or ASSIGNEE)*
7. **Known connections to KSMP:** *None known.*
8. **Broker:** *PREMIERE ESTATES INTERNATIONAL REAL ESTATE*
- a. **Known connections to KSMP:** None known to KSMP.
- b. **Compensation:** 2.50% of Sale Price (\$33,375)
- c. **Date and Docket Number of Employment Order:** 9/8/2025; Docket No. 2241

³ KSMP is in discussion with the United States about establishing this escrow account.

9. The following unexpired leases or executory contracts (the “Leases”) are associated with the Subject Property: None

10. **Adequate assurance information:** Not applicable, as there are no executory contracts or unexpired leases associated with the Subject Property.

11. **Title and escrow company:** Commonwealth Land Title, National Commercial Services

a. **Escrow number:** 972500278

b. Closing payments and treatment of liens:

Property Tax	\$30,397.80
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Seller Broker Fees	\$33,375
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Buyer Broker Fees	\$26,700
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Est. Other Closing Costs	\$26,700
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Total Disbursements	\$117,172.80
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Estimated Net Proceeds of Sale: \$1,217,827.20; this amount will be placed in a segregated account pending further order of the Court.

PLEASE TAKE FURTHER NOTICE THAT this Sale Notice shall be served by email where available and by mail for those who have not consented to email service upon (i) the United States Trustee (the “U.S. Trustee”); (ii) counsel to the Committee; (iii) any known holders of interests in the Subject Property, including any Known Co-owners, (iv) counterparties to the Leases; (v) counsel to the LeFever Mattson Debtors; (vi) the DIP Lender, (vi) the United States; and (vii) those persons who have formally appeared in this chapter 11 case and requested service pursuant to Bankruptcy Rule 2002 (collectively, the “Notice Parties”).

PLEASE TAKE FURTHER NOTICE THAT any objection to the proposed sale or the assumption and assignment of the Leases or request for hearing (the “Objection”) must be served upon counsel for KSMP and filed with the Court not more than twenty-one (21) calendar days after service of the Sale Notice unless the Sale Notice specifies a longer period or a shorter period is ordered by the Court (the “Objection Deadline”).

PLEASE TAKE FURTHER NOTICE THAT there shall be no overbids.

PLEASE TAKE FURTHER NOTICE THAT there shall be no stalking horse procedures for this proposed transaction.

PLEASE TAKE FURTHER NOTICE THAT if the Objection Deadline passes without the filing of an Objection or credit bid, or any Objection is withdrawn, KSMP shall file a declaration attesting that no Objection was filed or served on KSMP and shall submit a proposed order substantially in the form attached hereto as **Exhibit 1** (the “Sale Order”). The Debtor may proceed with closing the sale of the Subject Property upon entry of the Sale Order.

PLEASE TAKE FURTHER NOTICE THAT if an Objection is filed prior to the

1 Objection Deadline and not withdrawn, KSMP will set a hearing (the “Sale Hearing”) giving no
2 less than seven (7) days’ notice to (i) the Buyer; (ii) the party or parties that filed an Objection; (iii)
and the Notice Parties.

3 **PLEASE TAKE FURTHER NOTICE THAT** while KSMP knows of no existing Leases,
4 to the extent that any counterparty to a Lease who receives this notice fails to timely object to the
5 proposed sale of the Subject Property or the assumption and assignment of its Lease to the Buyer,
such counterparty will be deemed to have consented to the assignment of its Lease to the Buyer.

6 Dated: December 4, 2025

/s/ Erin N. Brady

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EXHIBIT 1
(Proposed Sale Order)

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION

In re
LEFEVER MATTSON, a California corporation,
et al.
Debtors.¹

Case No. 24-10545 CN (Lead Case)
(Jointly Administered)
Chapter 11

In re
KS MATTSON PARTNERS, LP,
Debtor.

**[PROPOSED] ORDER APPROVING ASSET
SALE OF THE PROPERTY LOCATED AT 62
FARRAGUT AVENUE #B, PIEDMONT, CA
94610**

The last four digits of LeFever Mattson's tax identification number are 7537. The last four digits of the tax identification number for KS Mattson Partners, LP ("KSMP") are 5060. KSMP's address for service is c/o Stapleton Group, 514 Via de la Valle, Solana Beach, CA 92075. The address for service on LeFever Mattson and all other Debtors is 63591 Auburn Blvd., Suite B, Citrus Heights, CA 95621. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://veritaglobal.net/LM>.

1 Upon submission of the Certificate of No Objection regarding the proposed sale (the
2 “Sale”) of the property located at 62 Farragut Avenue #B, Piedmont, CA 94610 (the “Subject
3 Property”) as contemplated by the Sales Procedures approved by the *Order Granting Motion of*
4 *Debtor KSMP to Establish Procedures for Real Property Sales* [Dkt. No. 2694] (the “Sale
5 Procedures Order”),² filed by the above-captioned debtor and debtor in possession (“KSMP”); the
6 Court having reviewed the *Notice of Sale of Subject Property Located at 62 Farragut Avenue #B,*
7 *Piedmont, CA 94610* dated [____, 2025] [Dkt. No. ____] (the “Sale Notice”); and the Court having
8 found that (i) the Court has jurisdiction to consider the proposed sale pursuant to 28 U.S.C. §§ 157
9 and 1334, and the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges,*
10 General Order 24 and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District
11 Court for the Northern District of California (the “Bankruptcy Local Rules”); (ii) venue is proper in
12 this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28
13 U.S.C. § 157(b); and (iv) the Sale Notice was sufficient under the circumstances; and after due
14 deliberation the Court having determined that the relief requested in the Sale Notice is in the best
15 interests of KSMP, its estate, and its creditors; and good and sufficient cause having been shown;

16 **IT IS HEREBY ORDERED THAT:**

17 1. The proposed Sale of the Subject Property located at 62 Farragut Avenue #B,
18 Piedmont, CA 94610 to Dima Tsenter & Charge Partners, LLC (and/or Assignee) pursuant to the
19 terms of the purchase agreement attached hereto as **Exhibit A**, is approved.

20 2. The Sale shall be free and clear of liens and encumbrances to the extent provided
21 under the Bankruptcy Code, with any such liens or encumbrances of any kind or nature to attach to
22 the net proceeds of the sale in the order of their priority, with the same validity, force and effect which
23 they had immediately prior to Sale as against the Subject Property.

1 3. KSMP is authorized to fully assume, perform under, consummate and implement
2 the sale agreement and all additional instruments and documents that may be reasonably necessary
3 or desirable to implement the Sale, including the purchase and sale agreement and escrow
4 instructions.

5
6 4. KSMP, and any escrow agent upon KSMP's written instruction, are authorized to
7 pay directly from escrow (i) all Closing Costs, including but not limited to, the real estate
8 commission of the Broker(s) in the indicated amount(s), costs of sale, and escrow costs and (ii)
9 any outstanding property taxes. After payment of the foregoing amounts, the remaining proceeds
10 shall be placed in a segregated account pending further order of the Court.¹

11 5. This Order shall be effective immediately upon entry, and any stay of orders provided
12 for in Bankruptcy Rules 6004 or 6006 or any other provision of the Bankruptcy Code or Bankruptcy
13 Rules is expressly lifted. KSMP is not subject to any stay in the implementation, enforcement or
14 realization of the relief granted in this Order, and may, in its discretion and without further delay,
15 take any action and perform any act authorized under this Order.

16
17 6. Nothing contained in the Sale Notice or this Order is intended to be or shall be
18 construed as (i) an admission as to the validity of any claim against KSMP; (ii) a waiver of KSMP's
19 or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim
20 against KSMP; (iii) a waiver of any claims or causes of action that may exist against any creditor or
21 interest holder; or (iv) an approval, assumption, adoption, or rejection of any agreement, contract,
22 lease, program, or policy, other than those identified in the Sale Notice, between KSMP and any third
23 party under section 365 of the Bankruptcy Code. Any amounts paid to a secured lender at closing
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26
27 ¹ KSMP is in discussion with the United States about establishing this escrow account.

1 shall not be construed as an allowance of such secured lender's claim, and all amounts paid remain
2 subject to disgorgement and claw back.

3 7. KSMP is hereby authorized to take such actions and to execute such documents as
4 may be necessary to implement the relief granted by this Order.
5

6 8. KSMP is authorized to make non-substantive changes to the documents referenced
7 herein without further order of the Court, including, without limitation, changes to correct
8 typographical and grammatical errors and to make conforming changes among the
9 aforementioned documents prior to its distribution.

10 9. The Court retains exclusive jurisdiction with respect to all matters arising from or
11 related to the implementation, interpretation, and enforcement of this Order.
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13 ** END OF ORDER **
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Exhibit A
(Purchase Agreement)



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

☐ Buyer ☐ Seller ☐ Landlord ☐ Tenant Date 10/6/2025

Agent _____ Signed by: International Real Estate DRE Lic. # 01375969

By anthony fitzgerald 2BBA61E0064C461 Anthony E. Fitzgerald DRE Lic. # 01248708 Date 10-7-2025
(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 § 18007 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 § 10131.6 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): <input type="checkbox"/> the seller; or <input type="checkbox"/> both the buyer and seller. (dual agent)		
Seller's Agent _____	DO NOT COMPLETE. SAMPLE ONLY	License Number _____
Is (check one): <input type="checkbox"/> the Seller's Agent. (salesperson or broker associate) <input type="checkbox"/> 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): <input type="checkbox"/> the buyer; or <input type="checkbox"/> both the buyer and seller. (dual agent)		
Buyer's Agent _____	DO NOT COMPLETE. SAMPLE ONLY	License Number _____
Is (check one): <input type="checkbox"/> the Buyer's Agent. (salesperson or broker associate) <input type="checkbox"/> 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.





CALIFORNIA
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VACANT LAND PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. FORM VLPA, Revised 6/25)

Date Prepared: October 3, 2025

1. OFFER:

- A. THIS IS AN OFFER FROM** Dima Tsenter & Charge Partners, LLC ("Buyer").
☐ Individual(s), ☐ A Corporation, ☐ A Partnership, ☒ An LLC, ☐ Other _____
- B. THE PROPERTY** to be acquired is 62 Farragut Avenue, situated in Piedmont (City), Alameda (County), California, 94611 (Zip Code), Assessor's Parcel No(s). 5147868 ("Property").
Further Described As Vacant Residential Land Parcel totaling 10,428 square feet
 (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 here confirmed for this transaction.
- Seller's Brokerage Firm** Premiere Estates International Real Estate License Number 01375969
 Is the broker of (check one): ☒ the Seller; or ☐ both the Buyer and Seller (Dual Agent).
Seller's Agent Todd Wohl License Number 01912556
 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** Premiere Estates International Real Estate License Number 01375969
 Is the broker of (check one): ☒ the Buyer; or ☐ both the Buyer and Seller (Dual Agent).
Buyer's Agent Anthony E. Fitzgerald License Number 01248708
 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>1,335,000.00</u>	<input checked="" type="checkbox"/> All Cash
B		Close Of Escrow (COE)	<input checked="" type="checkbox"/> <u>30</u> Days after Acceptance OR <input type="checkbox"/> on _____ (date)	
C	40A	Expiration of Offer	3 calendar days after all Buyer Signature(s) or _____ (date) at 5PM or <input type="checkbox"/> AM/ <input type="checkbox"/> PM	
D(1)	5A(1)	Initial Deposit Amount	\$ <u>100,000.00</u> (<u>7.49</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 Points	\$ _____ (_____ % of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate • not to exceed _____ % • 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 Points	\$ _____ (_____ % of purchase price) Fixed rate or <input type="checkbox"/> Initial adjustable rate • not to exceed _____ % • 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	Intended Use	Investment OR <input type="checkbox"/> _____	
F	5D	Balance of Down Payment	\$ <u>1,235,000.00</u>	
		PURCHASE PRICE TOTAL	\$ <u>1,335,000.00</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 FINANCE TERMS: _____		

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VLPA REVISED 6/25 (PAGE 1 OF 17)

Buyer's Initials

DT R

Seller's Initials

Initial
KT /



VACANT LAND PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (VLPA PAGE 1 OF 17)

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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, <u>2.000</u> % of the final purchase price AND, if applicable \$ _____ OR, if checked <input type="checkbox"/> \$ _____.	
	Para #	Paragraph Title or Contract Term	Terms and Conditions	Additional Terms
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	
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 checked="" 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 checked="" type="checkbox"/> No appraisal contingency Removal of appraisal contingency does not eliminate appraisal cancellation rights in FVAC.
L(3)	8C	<input type="checkbox"/> Purchase of Manufactured Home Buyer has (or <input type="checkbox"/> has not) entered into contract to purchase a personal property manufactured home	17 (or _____) Days after Acceptance <input type="checkbox"/> Shall remain in effect until the Close Of Escrow of the Property	REMOVAL OR WAIVER OF CONTINGENCY: Any contingency in L(1)-L(10) 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 8K. <input type="checkbox"/> CR-B attached
L(4)	8D	<input type="checkbox"/> Construction Loan Financing A draw from the construction loan will not (or <input type="checkbox"/> will) be used to finance the Property	17 (or _____) Days after Acceptance	
L(5)	8E, 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 <u>3</u>) Days after Acceptance 17 (or <u>3</u>) Days after Acceptance	
L(6)	8F	Insurance	17 (or <u>3</u>) Days after Acceptance	
L(7)	8G, 17A	Review of Seller Documents	17 (or <u>3</u>) Days after Acceptance, or 5 Days after Delivery, whichever is later	
L(8)	8H, 16A	Preliminary ("Title") Report	17 (or <u>3</u>) Days after Acceptance or 5 Days after Delivery, whichever is later	
L(9)	8I, 11E	Common Interest Disclosures Per Civil Code § 4525 or this Agreement	17 (or _____) Days after Acceptance or 5 Days after Delivery, whichever is later	
L(10)	8J, 9B(2)	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(11)	8M	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		
		Possession	Time for Performance	
M	3R	Vacant Lot Delivery <input type="checkbox"/> Lease/tenant in place	Upon notice of recordation On COE Date	Property to be delivered subject to tenant rights, except _____.
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 receipt	
N(3)	11E(2)	Time to pay fees for ordering HOA Documents	3 (or _____) Days after Acceptance	
N(4)	36	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"/> _____		



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 (C.A.R. Form 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)

☐ Back Up Offer Addendum (C.A.R. Form BUO)

☐ Assumed Financing Addendum (C.A.R. Form AFA)

☐ Septic, Well, Property Monument and Propane Addendum (C.A.R. Form SWPI)

☐ Buyer Intent to Exchange Addendum (C.A.R. Form BXA)

☐ Other _____

☐ 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)

☐ 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 Vacant Land Additional Investigation Advisory (C.A.R. Form BVLIA)

☒ 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)

☐ Trust Advisory (C.A.R. Form TA)

☐ REO Advisory (C.A.R. Form REO)

☐ Other _____

☒ Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)

☐ Probate Advisory (C.A.R. Form PA)

☐ Other _____

☐ Other _____

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 37, 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), Assumed Financing, Subject to 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), Assumed Financing, Subject To 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.
- 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. **INTENDED USE:** Buyer intends to use the Property as indicated in **paragraph 3E(3)**. Intended use 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; and (iii) 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 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, 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 to 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.**

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- (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:** See **paragraph 33** for additional information.

C. MANUFACTURED HOME PURCHASE: If checked in **paragraph 3L(3)**, this Agreement is contingent upon Buyer acquiring a personal property manufactured home to be placed on the Property after Close Of Escrow.

D. CONSTRUCTION LOAN FINANCING: If checked in **paragraph 3L(4)**, this Agreement is contingent upon Buyer obtaining a construction loan.

E. INVESTIGATION OF PROPERTY: This Agreement is, as specified in **paragraph 3L(5)**, contingent upon Buyer's acceptance of the condition of, and any other matter affecting, the Property.

F. INSURANCE: This Agreement is, as specified in **paragraph 3L(6)**, contingent upon Buyer's assessment of the availability and approval of the cost for any insurance policy desired under this Agreement.

G. REVIEW OF SELLER DOCUMENTS: This Agreement is, as specified in **paragraph 3L(7)**, contingent upon Buyer's review and approval of Seller's documents required in **paragraph 17A**.

H. TITLE:

- (1) This Agreement is, as specified in **paragraph 3L(8)**, 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.

I. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES (IF APPLICABLE): This Agreement is, as specified in **paragraph 3L(9)**, contingent upon Buyer's review and approval of Common Interest Disclosures required by Civil Code § 4525 and under **paragraph 11E** ("CI Disclosures").

J. BUYER REVIEW OF LEASED OR LIENED ITEMS CONTINGENCY: 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(2)**, is, as specified in **paragraph 3L(10)**, 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(10)**, refuses to enter into any necessary written agreements to accept responsibility for all obligations of Seller-disclosed leased or lien items.

K. 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.**

L. 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.

M. 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(11)**.

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) **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.
- (3) 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(2)**, 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.
- (4) 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)**.
- (5) Seller shall deliver title to the personal property by Bill of Sale, free of all liens and encumbrances, and without warranty of condition.
- (6) 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, all items specified in **paragraph 3P(2)** are excluded from the sale.

10. ALLOCATION OF COSTS

A. INSPECTIONS, REPORTS, TESTS, AND CERTIFICATES: Paragraphs 3Q(1), (2), (3), and (13) 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 POINT OF SALE REQUIREMENTS: Point of sale inspections and reports 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. If any point of sale requirement requires repairs, retrofits or additional costs beyond an inspection or report, further written agreement regarding costs is required. If an agreement is reached, and unless Parties Otherwise Agree to another time period, any such repair, retrofit, or work shall be completed prior to final verification of Property. 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. If agreement is not reached within the time for removing the Buyer Investigation contingency, then either party may cancel the Agreement.

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. MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to § 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at **www.meganslaw.ca.gov**. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (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. 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.)

D. 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.

E. 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 SPQ or ESD).
- (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(9)** for the following items to the HOA (C.A.R. Form HOA-IR): (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.

- F. 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 power system. Seller shall use the Solar Advisory and Questionnaire (C.A.R. Form SOLAR).
- G. ADDITIONAL DISCLOSURES:** Within the time specified in **paragraph 3N(1)**, if Seller has actual knowledge, Seller shall provide to Buyer, in writing, the following information:
- (1) **LEGAL PROCEEDINGS:** Any lawsuits by or against Seller, threatening or affecting the Property, including any lawsuits alleging a defect or deficiency in the Property or common areas, or any known notices of abatement or citations filed or issued against the Property.
 - (2) **AGRICULTURAL USE:** Whether the Property is subject to restrictions for agricultural use pursuant to the Williamson Act (Government Code §§ 51200-51295).
 - (3) **DEED RESTRICTIONS:** Any deed restrictions or obligations.
 - (4) **FARM USE:** Whether the Property is in, or adjacent to, an area with Right to Farm rights (Civil Code § 3482.5 and § 3482.6).
 - (5) **ENDANGERED SPECIES:** Presence of endangered, threatened, "candidate" species, or wetlands on the Property.
 - (6) **ENVIRONMENTAL HAZARDS:** Any substances, materials, or products that may be an environmental hazard including, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the Property.
 - (7) **COMMON WALLS:** Any features of the Property shared in common with adjoining landowners, such as walls, fences, roads, and driveways, and agriculture and domestic wells whose use or responsibility for maintenance may have an effect on the Property.
 - (8) **LANDLOCKED:** The absence of legal or physical access to the Property.
 - (9) **EASEMENTS/ENCROACHMENTS:** Any encroachments, easements, or similar matters that may affect the Property.
 - (10) **SOIL FILL:** Any fill (compacted or otherwise), or abandoned mining operations on the Property.
 - (11) **SOIL PROBLEMS:** Any slippage, sliding, flooding, drainage, grading, or other soil problems.
 - (12) **EARTHQUAKE DAMAGE:** Major damage to the Property of any of the structures from fire, earthquake, floods, or landslides.
 - (13) **ZONING ISSUES:** Any zoning violations, non-conforming uses, or violations of "setback" requirements.
 - (14) **NEIGHBORHOOD PROBLEMS:** Any neighborhood noise problems, or other nuisances.
 - (15) **SURVEY, PLANS, PERMITS AND ENGINEERING DOCUMENTS:** If in Seller's possession, Copies of surveys, plans, specifications, permits and approvals, development plans, licenses, and engineering documents, if any, prepared on Seller's behalf on in Seller's possession.
 - (16) **VIOLATION NOTICES:** Seller shall disclose any notice of violations of any Law filed or issued against the Property.
- H. MELLO-ROOS TAX; 1915 BOND ACT:** Within the time specified in **paragraph 3N(1)**, Seller shall: (i) make a good faith effort to obtain a notice from any local agencies that levy a special tax or assessment on the Property (or, if allowed, substantially equivalent notice), pursuant to the Mello-Roos Community Facilities Act, and Improvement Bond Act of 1915, and (ii) promptly Deliver to Buyer any such notice obtained.
- I. 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.
- J. SELLER VACANT LAND QUESTIONNAIRE:** Seller shall, within the time specified in **paragraph 3N(1)**, complete and provide Buyer with a Seller Vacant Land Questionnaire (C.A.R. Form VLQ).
- K. 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 or 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 of 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: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current Law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, 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(5)**, 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(5)**. Buyer has **5 Days** after receiving the survey to remove this portion of the Buyer's Investigation contingency.
- (E) Any other specific inspections of the physical condition of the land and improvements.
- (2) Buyer 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 Vacant Land Additional Inspection Advisory (C.A.R. Form BVLIA) 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(5)**, 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(5)** 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.
- F. **BUYER IS STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY AND ALL MATTERS AFFECTING THE VALUE OR DESIRABILITY OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE ITEMS SPECIFIED BELOW. IF BUYER DOES NOT EXERCISE THESE RIGHTS, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS. BUYER UNDERSTANDS THAT ALTHOUGH CONDITIONS ARE OFTEN DIFFICULT TO LOCATE AND DISCOVER, ALL REAL PROPERTY CONTAINS CONDITIONS THAT ARE NOT READILY APPARENT AND THAT MAY AFFECT THE VALUE OR DESIRABILITY OF THE PROPERTY. BUYER AND SELLER ARE AWARE THAT BROKERS DO NOT GUARANTEE, AND IN NO WAY ASSUME RESPONSIBILITY FOR, THE CONDITION OF THE PROPERTY. BROKERS HAVE NOT AND WILL NOT VERIFY ANY OF THE ITEMS IN PARAGRAPH 15, UNLESS OTHERWISE AGREED IN WRITING.**
- G. **SIZE, LINES, ACCESS, AND BOUNDARIES:** Lot size, property lines, legal or physical access, and boundaries including features of the Property shared in common with adjoining landowners, such as walls, fences, roads, and driveways, whose use or responsibility for maintenance may have an effect on the Property and any encroachments, easements, or similar matters that may affect the Property. (Fences, hedges, walls, and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. Property lines may be verified by survey.) (Unless otherwise specified in writing, any numerical statements by Brokers regarding lot size are APPROXIMATIONS ONLY, which have not been and will not be verified, and should not be relied upon by Buyer.)
- H. **ZONING AND LAND USE:** Past, present, or proposed laws, ordinances, referendums, initiatives, votes, applications, and permits affecting the current use of the Property, future development, zoning, building, size, governmental permits and inspections. Any zoning violations, non-conforming uses, or violations of "setback" requirements. (Buyer should also investigate whether these matters affect Buyer's intended use of the Property.)
- I. **UTILITIES AND SERVICES:** Availability, costs, restrictions, and location of utilities and services, including but not limited to, sewerage, sanitation, septic and leach lines, water, electricity, gas, telephone, cable TV, and drainage.

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- J. 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, including mold (airborne, toxic, or otherwise), fungus or similar contaminant, materials, products, or conditions.
- K. GEOLOGIC CONDITIONS:** Geologic/seismic conditions, soil and terrain stability, suitability and drainage including slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.
- L. NATURAL HAZARD ZONE:** Special Flood Hazard Areas, Potential Flooding (Inundation) Areas, Very High Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.
- M. PROPERTY DAMAGE:** Major damage to the Property of any of the structures or non-structural systems and components and any personal property included in the sale from fire, earthquake, floods, landslides, or other causes.
- N. NEIGHBORHOOD, AREA, AND PROPERTY CONDITIONS:** Neighborhood or are conditions, including Agricultural Use Restrictions pursuant to the Williamson Act (Government Code §§ 51200-51295), Right to Farm Laws (Civil Code § 3482.5 and § 3482.6), schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy, and cost of any speed-wired, wireless internet connections, or other telecommunications or other technology services and installations, proximity to 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, abandoned mining operations on the Property, 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 Owners' Association requirements, conditions, and influences of significance to certain cultures and/or religions, and personal needs, requirements, and preferences of Buyer.
- O. COMMON INTEREST SUBDIVISIONS; OWNER ASSOCIATIONS:** Facilities and condition of common areas (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others), Owners' Association that has any authority over the subject property, CC&Rs, or other deed restrictions or obligations, and possible lack of compliance with any Owners' Association requirements.
- P. SPECIAL TAX:** Any local agencies that levy a special tax on the Property pursuant to the Mello-Roos Community facilities Act or Improvement Bond Act of 1915.
- Q. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of landlord to terminate a tenancy.
- R. MANUFACTURED HOME PLACEMENT:** Conditions that may affect the ability to place and use a manufactured home on the Property.
- 16. TITLE AND VESTING:**
- A.** 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(5)**. 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.** 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.** Seller shall within **7 Days** after request, give Escrow Holder necessary information to clear title.
- D.** 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.
- E.** 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.
- F.** 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.** 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 as specified in **paragraphs 9B(2), 10, 11A, 11D-J, 12A, 12B, 12C, 16A, 16D, and 36.**
- B. BUYER REVIEW OF DOCUMENTS; REPAIR REQUEST; CONTINGENCY REMOVAL OR CANCELLATION**
- (1) Buyer has the time specified in **paragraph 3** to: (i) perform Buyer Investigations; review all disclosures, Reports, lease documents to be assumed by Buyer pursuant to **paragraph 9B(2)**, 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(5)**, 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 8J**; (vi) Cooperate with the title company's effort to comply with the GTO as required by **paragraph 16E**; (vii) Sign or initial a separate liquidated damages form for an increased deposit as required by **paragraph 37**; (viii) Provide evidence of authority to Sign in a representative capacity as specified in **paragraph 36**; 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.
- 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.**

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- 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.
- C. BROKERAGE:** Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify and hold the other, the Brokers specified herein and their agents, harmless from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representation in this paragraph.
- 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, 11A, 11E(2), 16 (except 16D), 17H, 20, 21A, 22, 26, 32, 35, 36, 40, and 41**. 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, 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 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. Buyer's obligation to pay Buyer's Broker shall be offset by any amount that Seller pays Buyer's Broker. 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 21D**, 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 21D** 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 action, proceeding, or arbitration 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 38A**.

26. ASSIGNMENT/NOMINATION: Buyer shall have the right to assign all of Buyer's interest in this Agreement to Buyer's own trust or to any wholly owned entity of Buyer that is in existence at the time of such assignment. Otherwise, Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. 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. Buyer shall provide assignee with all documents related to this Agreement including, but not limited to, the Agreement and any disclosures. If assignee is a wholly owned entity or trust of Buyer, 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 a letter, Seller, after first giving Assignee an Notice to Buyer to Perform, shall have the right to terminate the assignment. Buyer shall, within the time specified in **paragraph 3K**, Deliver any request to assign this Agreement for Seller's consent. If Buyer fails to provide the required information within this time frame, Seller's withholding of consent shall be deemed reasonable. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless Otherwise Agreed by Seller (C.A.R. Form AOAA). 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, in 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. EQUAL HOUSING OPPORTUNITY: The Property is sold in compliance with federal, state and local anti-discrimination Laws.

- 31. 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.
- 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 agree 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. "Legally Authorized Signer"** means an individual who has authority to Sign for the principal as specified in **paragraph 40** or **paragraph 41**.
 - O. "Otherwise Agreed"** means an agreement in writing, signed by both Parties and Delivered to each.
 - P. "Repairs"** means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
 - Q. "Sign" or "Signed"** means either a handwritten or Electronic Signature on an original document, Copy or any counterpart.
- 33. 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, or both), gender (including, but not limited to, pregnancy, childbirth, breastfeeding, 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 (916) 552-9000 for further information on how to file a complaint.

- 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.**
- 36. LEGALLY AUTHORIZED SIGNER:** Wherever the signature or initials of the Legally Authorized Signer identified in **paragraph 40** and **41** 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, as specified in **paragraph 3N(4)**, 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).

37. LIQUIDATED DAMAGES:

If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. 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

DT / *R*

Seller's Initials

RI / _____

38. 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. Real Estate Mediation Center for Consumers (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 an action without first attempting to resolve the matter through mediation, or **(ii)** before commencement of an 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 39B; (ii) The obligation to mediate does not preclude the right of either Party to seek a preservation of rights under paragraph 39C; and (iii) Agent's rights and obligations are further specified in paragraph 39D.

39. 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.

DT / *R*

RI / _____



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 DT / CR

Seller's Initials KT / _____

40. 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 for him/herself as an individual. See **paragraph 36** for additional terms.

(B) The name(s) of the Legally Authorized Signer(s) is/are: _____

C. The VLPA 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,  Date: 10/6/2025

Printed name of BUYER: Dima Tsender & Charge Partners, LLC

☐ Printed Name of Legally Authorized Signer: Carlos Ramirez/Charge Partners Title, if applicable, _____

(Signature) By,  Date: 10/6/2025

Printed name of BUYER: _____

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

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



41. 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 36** for additional terms.

(B) The name(s) of the Legally Authorized Signer(s) is/are: _____

C. The VLPA 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, _____ **Signed by:**  K S Mattson Partners, LP **Date:** October 10, 2025 | 1:23 AM

Printed name of SELLER: **513DDF959AFE** Robbin Itkin, solely in her capacity as court appointed Responsible Individual

☐ Printed Name of Legally Authorized Signer: _____ Title, if applicable, _____

(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).

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

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. Buy ^{Signed by:} anthony fitzgerald re Estates International Real Estate DRE Lic. # 01375969
By Anthony E. Fitzgerald DRE Lic. # 01248708 Date 10-7-2025
By 2BBA61E0064C461... DRE Lic. # _____ Date _____
Address 438 PCH City Hermosa Beach State CA Zip 92054
Email tfitzgerald@premiereestates.com Phone # (877)337-8283

- ☐ 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 Broker ^{Signed by:} Todd Wohl re Estates International Real Estate DRE Lic. # 01375969
By Todd Wohl DRE Lic. # 01912556 Date 10-7-2025
By 6FA9F590FFE4FE... DRE Lic. # _____ Date _____
Address 438 PCH City Hermosa Beach State CA Zip 90254
Email twohl@premiereestates.com Phone # (877)337-8283

- ☐ 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 DT / R Seller's Initials K / _____

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 Commonwealth Land Title, National Commercial Services Escrow # 972500278

By [Signature] Date 11/03/2025

Address 99 Almaden Boulevard, Suite 840 • San Jose, CA 95113

Phone/Fax/E-mail (669) 231-7680 (O) (408) 273-6471 (eFax) • Kiley.Demaree@cltic.com

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 _____





TEXT OVERFLOW ADDENDUM No. 1
(C.A.R. Form TOA, Revised 6/23)

This addendum is given in connection with the property known as 62 Farragut Avenue, Piedmont, CA 94611
in which Vacant Residential Land Parcel totaling 10,428 square feet ("Property"),
and Dima Tsenter & Charge Partners, LLC is referred to as ("Buyer/Tenant")
is referred to as ("Seller/Housing Provider").

1) VLPA, S, OTHER TERMS:

- 1.) Property is sold in as is condition.
- 2.) Seller will not make any repairs.
- 3.) Sale may be subject to Court confirmation and overbid.

The foregoing terms and conditions are hereby incorporated in and made a part of the paragraph(s) referred to in the document to which this TOA is attached. The undersigned acknowledge receipt of a copy of this TOA.

Buyer/Tenant  Date 10/6/2025
Dima Tsenter & Charge Partners, LLC

Buyer/Tenant  Date 10/6/2025

Seller/Housing Provider  K S Mattson Partners, LP Date October 10, 2025 | 1:23 AM
513DDF959AFE459...

Seller/Housing Provider Robbin Itkin, solely in her capacity as court appointed Responsible Individual Date _____

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TOA REVISED 6/23 (PAGE 1 OF 1)

TEXT OVERFLOW ADDENDUM (TOA PAGE 1 OF 1)

ADDENDUM No. 1 TO PURCHASE AGREEMENT

This Addendum No. 1 to Purchase Agreement (“**Addendum**”) is incorporated into that certain California Residential Income Purchase Agreement and Joint Escrow Instructions (the “**Purchase Agreement**”), dated October 3, 2025, and executed by and between **Dima Tsenter & Charge Partners, LLC** (“**Buyer**”), and K S Mattson Partners, LP (“**Seller**”), involving the real property and improvements thereon located at **62 Farragut Ave Lot B, Piedmont, CA 94611**, APN: **051-4786-008** (the “**Property**”). Buyer and Seller may be referred to herein individually as a “**Party**” and collectively as “**Parties**.” Unless otherwise defined, capitalized terms in this Addendum shall have the same meanings as set forth in the Purchase Agreement. This Addendum and the Purchase Agreement shall be collectively referred to as the “**Agreement**.”

1. **BANKRUPTCY SALE ORDER CONTINGENCY:**

- a. **Bankruptcy Case.** On or about November 22, 2024, an involuntary petition for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) was filed against Seller (the “**Debtor**”) under Case No. 24-10715 (the “**Bankruptcy Case**”) in the United States Bankruptcy Court for the Northern District of California, Santa Rosa Division (the “**Bankruptcy Court**”). On June 9, 2025, an order for relief was entered with respect to the Debtor in the Bankruptcy Case. The Bankruptcy Case is being jointly administered with the bankruptcy cases of LeFever Mattson and certain of its affiliates under Case No. 24-10545.
- b. **Sale Order.** The purchase and sale of the Property as provided for and contemplated by this Agreement shall be subject to Bankruptcy Court approval, upon the submission of a formal motion by the Debtor to obtain Bankruptcy Court approval of the same pursuant to a sale order substantially in the form attached hereto (the “**Sale Order**”).
- c. **Sale Order Contingency.** Notwithstanding anything to the contrary contained in the Purchase Agreement, the Close of Escrow under the Agreement shall be contingent on, following the Buyer Investigations and Buyer’s waiver of the contingencies in **paragraph 3L** on or before the Outside Contingency Removal Deadline (as defined in **Section 2.e** below), the entry by the Bankruptcy Court of the Sale Order (the “**Sale Order Contingency**”). The Sale Order Contingency shall be a condition to the Close of Escrow benefiting both Seller and Buyer. In addition, notwithstanding anything to the contrary in the Agreement, neither Seller nor Buyer may waive the Sale Order Contingency. If Seller at any time determines that there is a failure of the Sale Order Contingency due to an objection filed to the Sale Order or otherwise or if following issuance of the Sale Order the Bankruptcy Court approves a stay of the Sale Order pending appeal, Seller may terminate the Agreement. Upon such a termination, neither Seller nor Buyer shall have any liability thereunder except for those obligations under the Agreement which expressly survive the termination of the same, and Buyer shall be entitled to the return of the Deposit.
- d. **Buyer Cooperation.** Seller and Buyer acknowledge that (i) to obtain the Sale Order, Seller must demonstrate that it has taken reasonable steps to obtain the highest or otherwise best offer possible for the Property, including giving notice of the sale under the Agreement to interested persons as set forth in **Section 1.e** below, and (ii) Buyer shall provide such information and assurance as may be required, including, without limitation, as to the Buyer’s assumption of obligations under **paragraph 8H** of the Purchase Agreement, and (notwithstanding anything to the contrary in **paragraph 17** of the Purchase Agreement) Buyer’s payment of any outstanding amounts Buyer has Otherwise Agreed to pay to cure any defaults of Seller or otherwise in respect of such obligations (“**Cure Costs**”).
- e. **Sale Filing.** Promptly following the Outside Contingency Removal Deadline, Seller shall file with Bankruptcy Court and serve on the parties designed therein appropriate papers seeking approval of the Agreement (“**Sale Filing**”) attaching copies of (i) the proposed Sale Order and (ii) the Agreement; and setting the deadline to object to the Sale Filing which shall be no less than twenty-one (21) days following filing and service thereof as set out in the Sale Order. Buyer shall cooperate with Seller by providing all necessary information and assurance needed

to complete the Sale Filing in a timely manner, including, without limitation, as to the Buyer's proposed assumption of obligations under **paragraph 8H** of the Purchase Agreement and any Cure Costs.

- f. Recording of Sale Order. At Close of Escrow, if required by Title Company to issue the title policy contemplated in **paragraph 13G** insuring fee simple title in the name of Buyer, the Sale Order shall be recorded in the real property records of the county where the Property is located, immediately prior to the recording of the grant deed.

2. **MODIFICATIONS TO PURCHASE AGREEMENT TERMS**. The terms of the Purchase Agreement are further modified as follows:

- a. Paragraphs 3B and 25A - Date of Acceptance. The date of "**Acceptance**" under **paragraphs 3B** and **25A** the Purchase Agreement shall be the date the last of Buyer and Seller have mutually executed and delivered to the other Party to the Purchase Agreement and this Addendum.
- b. Paragraph 3B - Close of Escrow. The Close of Escrow under **paragraph 3B** of the Purchase Agreement shall occur on the date that is the earlier of (i) five (5) days after the entry of a Sale Order by the Bankruptcy Court, or (ii) if an objection is filed to the Sale Filing, fifteen (15) days after the entry of a Sale Order by the Bankruptcy Court.
- c. Paragraphs 3G(3) and 18 – Brokers and Agents. Neither Party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of the transaction described in the Purchase Agreement (the "**Transaction**"), through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cause of the sale contemplated herein, except for (i) Anthony Fitzgerald ("**Buyer's Broker**"), whose commission, if any, shall be paid in accordance with **paragraph 3G(3)** of the Purchase Agreement, and (ii) **Todd Wohl** ("**Seller's Broker**") whose commission, if any is due, shall be the responsibility of Seller pursuant to a separate agreement. If any other broker or finder perfects a claim for a commission or finder's fee based upon any such contract, dealings or communication, the party through whom the broker or finder makes its claim shall be responsible for said commission or fee and all costs and expenses (including reasonable attorneys' fees) incurred by the other party in defending against such claim. The provisions of this **Section 2.c** shall control over any contrary provisions in **paragraphs G(3)** and 18 of the Purchase Agreement, and shall survive the Close of Escrow.
- d. Paragraphs 3K and 23 – Buyer Assignment. Notwithstanding anything to the contrary contained in **paragraphs 3K** and **23** of the Purchase Agreement, Buyer's right to assign Buyer's interest in the Agreement under **paragraph 23** thereof shall be exercised, if at all, prior to the Outside Contingency Removal Deadline.
- e. Paragraph 3L - Outside Contingency Removal Deadline. Notwithstanding anything to the contrary contained in the Purchase Agreement (including without limitation, **paragraphs 3L, 8, 12** and **14**), all of Buyer's contingencies set out in **paragraphs 3L, 8** or elsewhere in the Purchase Agreement shall be approved or waived by Buyer on the earlier of (1) the date of the last Contingency Date under **paragraph 3L** of the Purchase Agreement or (2) twenty-one (21) Days after Acceptance (the "**Outside Contingency Removal Deadline**"); provided further that, for avoidance of doubt, neither Seller nor Buyer may waive the Sale Order Contingency as provided in **Section 1.c** above, and the same shall not be subject to the Outside Contingency Removal Deadline. Without limiting the foregoing, for the avoidance of doubt, any loan contingency or appraisal contingency for the acquisition of the Property shall expire on the date seventeen (17) days after Acceptance.
- f. Paragraphs 3N(1), 9B(6), 9B(7), 11O and 14 – Exempt Seller. Notwithstanding anything to the contrary contained in **paragraphs 3N(1), 9B(6), 9B(7), 11O** and **14** of the Purchase Agreement,



Seller's obligations regarding Delivery of Reports and other Seller Documents, and any disclosures, shall be subject to the full protections for Seller of any exemption under California Law (including, without limitation under California Civil Code Section 1102.2 as a result of the Bankruptcy Case), and as described in the Exempt Seller Disclosure (C.A.R. form ESD). Notwithstanding anything to the contrary in the Purchase Agreement and without limiting the disclaimers of Seller in **Section 2.k** below, except as required by Law, Seller makes no representations to Buyer regarding any matters concerning the Property or the Seller Documents Delivered under the Agreement.

- g. Paragraphs 3N(5), 25N, 32 and 34A – Seller Authority. Seller's authority under the Agreement (including without limitation as referred to in **paragraphs 3N(5), 25N, 32 and 34A** of the Purchase Agreement) shall at all times be subject to any required approvals under the Sale Order.
- h. Paragraph 3P(1) – Personal Property. Seller does not represent or warrant that any of the items identified in the Agreement as included in the sale are part of the Property and/or located at the Property. Seller has no obligation to remove any personal property from the Property prior to the Closing.
- i. Paragraphs 3Q(1), (2), (3) and (5), 10A and 11A – Natural Hazards Disclosure (NHD) and Other Inspections, Reports, Tests and Certificates. Notwithstanding anything to the contrary contained in the Purchase Agreement (including, without limitation, **paragraphs 3Q(1), (2), (3) and (5), 10A and 11A**), Seller shall pay the cost of the Natural Hazards Disclosure referred to in **paragraphs 3Q(1)**, and Buyer shall pay for the other inspections, reports, tests and certificates referred to in **paragraphs 3Q(2), (3) and (5)** and perform and pay for any inspections or work recommended or identified therein. Buyer and Seller acknowledge that Seller is required to disclose if any of the Real Property lies within the following natural hazard areas or zones: (i) a special flood hazard area designated by the Federal Emergency Management Agency; (ii) an area of potential flooding; (iii) a very high fire hazard severity zone; (iv) a wild land area that may contain substantial forest fire risks and hazards; (v) an earthquake fault or special studies zone; or (vi) a seismic hazard zone. Buyer acknowledges that Seller will employ the services of JPC-LGS ("Natural Hazard Expert") to examine the maps and other information specifically made available to the public by government agencies and to report the results of its examination to Buyer in writing. The written report prepared by the Natural Hazard Expert regarding the results of its examination fully and completely discharges Seller from its disclosure obligations referred to herein, and, for the purposes of this Agreement, the provisions of Civil Code Section 1103.4 regarding the non-liability of Seller for errors and/or omissions not within its personal knowledge shall be deemed to apply, and the Natural Hazard Expert shall be deemed to be an expert dealing with matters within the scope of its expertise with respect to the examination and written report regarding the natural hazards referred to above.
- j. Paragraphs 8H, 9B(6), 9B(7) and 17 – Leased or Liened Items. Seller's right to assign and Buyer's right to assume Seller's obligations with respect to leased or liened items shall be subject to Bankruptcy Court approval under the Sale Order and may include Cure Costs that Buyer has Otherwise Agreed to pay (notwithstanding anything to the contrary in **paragraph 17** of the Purchase Agreement).
- k. Paragraph 7B – As Is Sale; Disclaimer of Representations and Warranties by Seller.
 - (1) AS-IS. Buyer has been advised to investigate the condition and suitability of all aspects of the Property and all matters affecting the value or desirability of the Property for Buyer's use or purposes during the applicable time periods for the Buyer's contingencies under the Agreement. Buyer acknowledges that Seller has never resided in the Property and the Property has been used strictly as an investment property by Seller. Further, Seller is a debtor and debtor in possession in proceedings under chapter 11 of title 11 of the United States Code (the

“Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of California (the “Bankruptcy Court”), which is being administered as In re KS Mattson Partners, LP, Case No. 24-10715 (CN), and the court-appointed Responsible Individual, Robbin Itkin, having been appointed only as of June 16, 2025, has limited knowledge of the Property. Except as required by Law and notwithstanding anything to the contrary contained in the Purchase Agreement (including, without limitation, **paragraphs 9B(6), 9B(7), 11O, and 13D**), neither Seller, nor its members, employees, or agents makes or has made any representations or warranties of any kind, express or implied, written or oral, pertaining to, without limitation, the physical condition of the Property, the uses of the Property (or any limitations thereon), the costs of operation, compliance with applicable Laws, and/or any requirements for alterations or improvements to comply with applicable Laws (including, without limitation, any representations or warranty pertaining to zoning, environmental, or other Laws, regulations, or governmental requirements); the condition of the soils or groundwater of the Property; the presence or absence of electromagnetic fields, toxic materials, or hazardous (as that term may be defined under any applicable local, state, or federal Law) materials on or under the Property; or any other matter bearing on the use, value, or condition of the Property. Except as required by Law and notwithstanding anything to the contrary in the Purchase Agreement (including, without limitation, **paragraph 13D**), Seller makes and has made no representations or warranties with respect to the condition of title to the Property, and Buyer shall rely solely on the policy of title insurance obtained pursuant to the Purchase Agreement for any claims related thereto. Buyer’s sole remedy related to any aspect of the Property discovered by Seller during the Buyer’s applicable contingency periods to which Buyer does not approve, shall be to terminate the Agreement within the Buyer’s applicable contingency period and Buyer shall have no further right to terminate the Agreement outside of the applicable contingency period except as specifically set forth in the Agreement. In addition, subject to the disclosures made and/or required by Seller pursuant to the Purchase Agreement, Buyer assumes the risk that an adverse condition of the Property may not have been revealed by Buyer’s own due diligence and agrees that Seller shall have no obligation to repair, correct, or compensate Buyer for any condition of the Property whatsoever, including, without limitation, compliance with zoning Laws or building codes, which may be discovered after the expiration of the applicable contingency period. To the extent allowed by Law, Buyer waives, releases, acquits, and forever discharges Seller, and Seller’s Parties (as defined below) to the maximum extent permitted by Law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or that may arise in the future because of or in any way growing out of or connected with the Purchase Agreement and the Property (including, without limitation, the condition of the Property). TO THE EXTENT PERMITTED BY LAW, BUYER EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE SECTION 1542 AND ANY OTHER PROVISION OF LAW THAT PROVIDES:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

IT IS SO AGREED:

Seller  Buyer: 

Signed by: 513DDF959AFE459...

As used in the Agreement, “**Seller’s Parties**” shall mean and include, collectively, (A) Seller, (B) Seller’s property manager for the Property, (C) ordinary course vendors who provide

services for the Property or the Seller, (D) any direct or indirect owner of any beneficial interest in Seller, (E) any officer, director, employee, or agent of Seller (including Seller's broker for the Property), and (F) Seller's legal counsel, Seller's accountants and any other third party professional advisors of Seller approved by the Bankruptcy Court.

(2) Limitation on Seller Liability. Notwithstanding anything to the contrary contained in the Agreement or the documents delivered by Seller at the Close of Escrow, and subject to any limitations on Seller's liability contained elsewhere in the Agreement, if the Close of Escrow occurs, (i) the maximum aggregate liability of Seller arising under the Agreement and such documents (including, without limitation, pursuant to or in connection with the representations, warranties, indemnifications, covenants or other obligations, whether expressed or implied, of Seller under the Agreement or any document executed and delivered by Seller in connection herewith) and the maximum aggregate amount that may be awarded to and collected by Buyer in connection with the sale of the Property under the Agreement and/or the Property, under the Agreement, and/or under all documents delivered by Seller at the Close of Escrow, and any claims in connection with any of the foregoing (including, without limitation, in connection with the breach of any of Seller's representations or warranties for which a claim is timely made by Buyer) shall not exceed one percent (1%) of the purchase price in **paragraph 3A ("Liability Limitation")**, and (ii) no claim by Buyer alleging a breach by Seller of any representation, warranty, indemnification, covenant or other obligation of Seller contained herein or in any documents delivered by Seller at the Close of Escrow (including, without limitation, in connection with the breach of any of Seller's representations and warranties for which a claim is timely made by Buyer) may be made, and Seller shall not be liable for any judgment in any action based upon any such claim, unless and until such claim, either alone or together with any other claim by Buyer for any such breach by Seller, is for an aggregate amount that is reasonably anticipated to be in excess of one half of one percent (0.5%) of the purchase price in **paragraph 3A ("Floor Amount")** in which event Seller's liability for any final judgment concerning such claim or claims shall be for the entire amount thereof, subject to the Liability Limitation; provided, however, that if any such final judgment is for an amount that is less than or equal to the Floor Amount, then Seller shall have no liability with respect thereto. In no event shall Seller or Buyer be liable to the other party for any consequential or punitive damages based upon any breach of the Agreement, including breaches of any representation or warranty. In addition to the Liability Limitation, Buyer agrees that recourse for any liability of Seller under the Agreement or any document or instrument executed and delivered simultaneously or in connection with or pursuant to the Agreement shall be limited solely to the Property and, following the Close of Escrow, to the extent of the purchase price in **paragraph 3A** (subject to the Liability Limitation).

(3) Buyer's Indemnity. Buyer shall hold harmless, indemnify and defend each of the Seller Parties from and against any and all third party claims related to the Property or the ownership, use or maintenance thereof to the extent such claims arise out of acts or events occurring on or after the Closing Date.

- l. Paragraph 10B(3) – Reinspection Fees. Buyer understands and acknowledges that any and all Reinspection Fees shall be the responsibility of Buyer should they arise.
- m. Paragraphs 11B(1)(A), 11O, 13D and 25D - Known Material Facts. When a statement is made under the Agreement as to any information or defects "known" to Seller, or Seller's "actual knowledge" (or other similar phrase), including without limitation under paragraphs 11B(1)(A), 11O, 13D and 25D of the Purchase Agreement, it shall mean that Seller's Designated Representative (as defined below) has any actual knowledge (without further investigation) of any facts indicating that such statement is not true. Nothing set forth herein shall be construed to impose upon Seller's Designated Representative any duty to investigate the matters to which such knowledge, or the absence thereof, pertains, including, but not limited to, the contents of the materials delivered or made available to Buyer or its representatives or the contents of files maintained by Seller's Designated Representative. In no event shall Seller's Designated Representatives have any personal liability under the

Agreement. As used herein, "Seller's Designated Representative" is limited to the following individual: Robbin L. Itkin, Responsible Individual.

- n. Paragraph 13 – Title. Seller's obligations under the Purchase Agreement, including without limitation paragraph 13, regarding removal of lien and other title matters shall be subject to the timing, scope and limitations regarding the same pursuant to the Sale Order.
- o. Paragraph 14D –Buyer's Remedies for Seller Default. Notwithstanding anything to the contrary contained in the Purchase Agreement (including without limitation paragraph 14D), if the Close of Escrow fails to occur solely as a result of a default by Seller in the performance of its material obligations under the Agreement and Seller fails to cure such material default within five (5) days after written notice thereof from Buyer (which written notice shall detail such default), then, upon notice by Buyer to Seller and Escrow Holder to that effect, Buyer shall elect, in Buyer's sole discretion and as Buyer's sole and exclusive remedy, either to (i) terminate the Agreement and recover the Deposit, or (ii) seek specific performance of Seller's obligations hereunder, provided that no such action for specific performance shall seek to require Seller to do any of the following: (A) change the condition of the Property or restore the same after any casualty; (B) expend money or post a bond to remove a title encumbrance or defect (except for the deeds of trust and financing statements referenced in the Preliminary Title Report) or correct any matter shown on a survey of the Property; (C) secure any permit, approval or consent with respect to the Property or Seller's conveyance of the Property, or (D) waive the Sale Order Contingency. Any conveyance of the Property pursuant to any such action for specific performance (or any consummation of the acquisition pursuant to the Agreement) shall be deemed a waiver by Buyer of any breach by Seller of its representations, warranties, or covenants under the Agreement of which Buyer has actual knowledge before commencing such action (and of which Buyer has actual knowledge before any consummation of the acquisition in accordance with the Agreement). Buyer shall be deemed to have elected to terminate the Agreement if Buyer fails to deliver to Seller written notice of its intent to assert a cause of action for specific performance within thirty (30) days following the then-scheduled date for the Close of Escrow or, having given such notice, fails to file a lawsuit asserting such cause of action in the proper court within sixty (60) days following the then-scheduled date for the Close of Escrow.
- p. Paragraph 17 – Prorations. The Sale Order controls with respect to the payment of any Cure Costs or any other items of proration between Buyer and Seller set forth therein, notwithstanding anything to the contrary in paragraph 17 of the Purchase Agreement.
- q. Title Company. The Title Company for the transaction contemplated in the Agreement shall be Commonwealth Land Title Insurance Company.
- r. Time for Performance. As used in the Agreement, "business day" means a day which is other than a Saturday or Sunday or a day which is a holiday recognized under federal law or the laws of the State of California. If the time for performance of any undertaking or obligation, the exercise of any right or the giving of any notice under the Agreement falls on a day which is not a business day, then the date for such performance, exercise or notice, as applicable, shall automatically extend to the business day next following.
- s. Grant Deed. The grant deed pursuant to which the Property will be conveyed to Buyer upon the Close of Escrow is attached hereto as Exhibit A.

3. DELETED PROVISIONS: The following paragraphs of the Purchase Agreement are hereby deleted:

- a. **Paragraph 22** [Attorney Fees and Costs]; **paragraph 27** [Mediation]; and **paragraph 28** [Arbitration].

4. CHOICE OF LAW; VENUE. Notwithstanding anything to the contrary contained in the Purchase Agreement, the Agreement is to be governed by and construed in accordance with federal bankruptcy Law, to the extent applicable, and where state Law is implicated, the Laws of the State of California shall govern (without regard to conflicts of law). The Bankruptcy Court shall retain exclusive jurisdiction to enforce the provisions of the Agreement. Each of the parties hereby accepts and consents to, generally and unconditionally, the jurisdiction of the Bankruptcy Court. Each of the Parties hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with the Agreement brought in the Bankruptcy Court and hereby further irrevocably waives and agrees not to plead or claim in such court that any such action or proceeding brought in such court has been brought in an inconvenient forum. In the event that the Bankruptcy Court declines to exercise jurisdiction over the Agreement, venue shall be in the Superior Court of California, in the County where the Property is located. **TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAWS, SELLER AND BUYER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN THE EVENT OF ANY PROCEEDINGS.**

5. CONFLICTS. In the event of a conflict between the terms of the Purchase Agreement and this Addendum, the terms of this Addendum shall control.

6. MISCELLANEOUS: The Agreement may be executed in multiple counterparts, each of which is to be deemed original for all purposes, but all of which together shall constitute one and the same instrument. The Agreement may be executed and delivered by electronic transmission, the Parties intending that electronically transmitted signatures constitute original signatures and that an electronically transmitted or manually executed counterpart of the Agreement containing signatures (manually executed or electronically transmitted) of a Party shall be binding upon that Party. The Agreement contains the entire agreement with respect to the Transaction, and there are no other terms, conditions, promises, understandings, statements or representations, express or implied, concerning the same. In the event any provision or any part of any provision of the Agreement shall be held to be invalid and unenforceable, the remaining enforceable provisions and remaining enforceable parts of any provision shall be valid and binding upon the Parties to the maximum extent permitted by Law. One or more waivers by either Party of any provisions, term, condition, or covenant shall not be construed by the other Party as a waiver of a subsequent breach of the same by the other Party. The Agreement shall not be construed more strictly against one Party than the other merely by virtue of the fact that it has been prepared initially by counsel for one of the Parties, it being recognized that both Parties and their respective counsel have had a full and fair opportunity to negotiate and review the terms and provisions of the Agreement and to contribute to its substance and form. Subject to applicable principles of fraudulent conveyance, in no event shall Buyer seek satisfaction for any obligation from any Seller's Parties, nor shall any such person or entity have any personal liability for any such obligations of Seller.

[signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Addendum as of the date(s) written below next to their respective signatures.

BUYER:



Dima Tsenter

DATE: 10/8/2025



Charge Partners, LLC

DATE: 10/8/2025

SELLER:

K S Mattson Partners, LP
a California limited partnership

Signed by:



By: 513DDF059AFF459
Robbin Iukin, solely in her capacity as the
court appointed Responsible Individual

DATE: October 10, 2025 | 1:23 AM PDT

EXHIBIT A
FORM OF GRANT DEED

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

MAIL TAX STATEMENTS TO:

APN: _____

(Space above this line is for recorder's use)

GRANT DEED

The undersigned Grantor declares:

Documentary transfer tax is \$ _____ CITY TAX: \$ _____

- (X) computed on full value of property conveyed, or
() computed on full value, less value of liens and encumbrances remaining at time of sale,
() Unincorporated area (X) City of _____

FOR VALUE RECEIVED, K S Mattson Partners, LP ("**Grantor**"), hereby grants to
_____, a _____ ("**Grantee**"), that certain
real property (the "**Property**") situated in the City of _____, County of _____,
State of _____, described in Exhibit A attached hereto and incorporated by reference.

Subject to:

1. Nondelinquent taxes and assessments;
2. All other covenants, conditions, and restrictions, reservations, rights, rights of way, easements, encumbrances, liens, and title matters of record or visible from an inspection of the property or which an accurate survey of the property would disclose.

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned Grantor has executed this Grant Deed as of

_____, 20____.

K S Mattson Partners, LP
a California limited partnership

By: _____
Robbin Itkin, solely in her capacity as the
court appointed Responsible Individual