

1 **RESOLUTION NO. SBOB 2018-08**

2 **A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR**
3 **AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN**
4 **BERNARDINO APPROVING THE PURCHASE AND SALE AGREEMENT**
5 **AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR**
6 **AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN**
7 **BERNARDINO AND LEAPING FROG INVESTMENTS, LLC WITH**
8 **RESPECT TO THE REAL PROPERTY LOCATED AT 1256 WALL**
9 **AVENUE, SAN BERNARDINO, CALIFORNIA (APN 0146-241-07), AND**
10 **APPROVING CERTAIN RELATED ACTIONS**

11 **WHEREAS,** pursuant to Health and Safety Code (the "HSC") § 34172 (a) (1), the
12 Redevelopment Agency of the City of San Bernardino was dissolved on February 1, 2012; and

13 **WHEREAS,** consistent with the provisions of the HSC, on January 9, 2012 the Mayor and
14 City Council of the City of San Bernardino elected to serve in the capacity of the Successor Agency
15 to the Redevelopment Agency of the City of San Bernardino (the "Successor Agency"); and

16 **WHEREAS,** the Oversight Board for the Successor Agency (the "Oversight Board") has
17 been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved
18 redevelopment agency; and

19 **WHEREAS,** on September 15, 2015, the Successor Agency submitted its Oversight
20 Board-approved Long-Range Property Management Plan (the "LRPMP") to the California
21 Department of Finance (the "DOF"); and

22 **WHEREAS,** on December 31, 2015, the DOF approved the Successor Agency's LRPMP
23 and notified the Successor Agency that pursuant to HSC § 34191.3, the approved LRPMP shall
24 govern, and supersede all other provisions relating to the disposition and use of all the real property
25 assets of the former redevelopment agency; and

26 **WHEREAS,** the approved LRPMP, which addresses the disposition and use of the real
27 property assets held by the Successor Agency, includes 230 parcels of land grouped into forty-six
28 (46) separate sites, eighteen (18) of which were designated as government use sites, seven (7) of
which are designated as future development sites and twenty-one (21) of which were designated to
be sold (the "Successor Agency Properties"); and

1 **WHEREAS**, the Successor Agency is the owner of that certain real property consisting of
2 approximately 0.17 acres of land located at 1256 Wall Avenue, San Bernardino, California (APN
3 0146-241-07) (the “Property”); and

4 **WHEREAS**, within the LRPMP, the Property is: i) identified as Site No. 37; ii) described as
5 an approximate 0.17-acre vacant residential lot zoned Medium Residential; iii) designated for sale; and
6 iv) more fully described in Exhibit "A" attached hereto, which is an excerpt from the LRPMP; and

7 **WHEREAS**, on March 6, 2017, the Successor Agency Board approved the original
8 Property Disposition Strategy, which among other things, authorized a competitive process that
9 would result in listing for sale of 18 real property sites with a real estate broker (two of which are
10 owned by the City of San Bernardino); and

11 **WHEREAS**, on August 16, 2017, the Successor Agency Board approved the “Amended
12 Property Disposition Strategy”, which i) reduced the number of real property sites to be listed with a
13 real estate broker from 18 to 16 (one of which is owned by the City of San Bernardino); ii) provided
14 for an alternate method of real property disposition for the two real property sites removed from the
15 group to be listed with a real estate broker; iii) where applicable, provided a current status update on
16 completed and pending real property transfers; and iv) established an Escrow and Title
17 Administrative Management Fee to allow the City to recover a portion of the cost of its services
18 with respect to the management of the sale of real property assets; and

19 **WHEREAS**, consistent with the Amended Property Disposition Strategy, on October 18,
20 2017, the Successor Agency approved an agreement with Keller Williams (the “KW Agreement”)
21 to list and sell 15 real property sites of the Successor Agency (the City entered into a separate
22 agreement with Keller Williams for its single real property site); and

23 **WHEREAS**, the Property is included within the KW Agreement; and

24 **WHEREAS**, as a part of the KW Agreement, KW is required to prepare of a Broker’s
25 Opinion of Value (the “BOV”) for each Successor Agency property that is sold; and

26 **WHEREAS**, based on past practice, the DOF has acknowledged that BOVs are an acceptable
27 method and basis for confirming that the value of real property being sold by a successor agency is fair
28 and reasonable; and

1 **WHEREAS**, in response to the listing, KW received, thoroughly reviewed and vetted one
2 offer to purchase the Property; and

3 **WHEREAS**, on March 22, 2018, Leaping Frog Investments, LLC (the “LFI”) offered to
4 purchase the Property for \$54,000 (the “Purchase Price”) (a copy of the offer is attached to this
5 Resolution as Exhibit “B”); and

6 **WHEREAS**, KW has confirmed that LFI is a credible buyer capable of purchasing the
7 Property and has recommended that the Successor Agency consider LFI’s purchase offer; and

8 **WHEREAS**, on April 6, 2018, KW submitted its BOV indicating its opinion that the market
9 value of the Property is \$35,989 (the “BOV Market Value”); and

10 **WHEREAS**, in consideration that the \$54,000 Purchase Price exceeds the BOV Market
11 Value by \$18,011, or 50%, it may be concluded that the purchase price offered by LFI for the Property
12 is fair and reasonable, as more fully described within the BOV, a copy of which is attached to this
13 Resolution as Exhibit “C”; and

14 **WHEREAS**, this Resolution will approve the Purchase and Sale Agreement and Joint
15 Escrow Instructions (the “Purchase and Sale Agreement”) between the Successor Agency and LFI
16 with respect to the Property, a copy of which is attached to this Resolution as Exhibit “D,” and
17 authorize certain related actions; and

18 **WHEREAS**, on June 6, 2018, the Successor Agency Board approved the Purchase and
19 Sale Agreement; and

20 **WHEREAS**, consistent with the provisions of the HSC and the LRPMP, the effectiveness
21 of the Purchase and Sale Agreement is subject to the approval of the Oversight Board and DOF;
22 and

23 **WHEREAS**, subject to the approvals of the Oversight Board and DOF, the Successor
24 Agency intends to distribute the land sale proceeds to the San Bernardino County Auditor-
25 Controller for distribution to the taxing entities, less the costs of sale attributable to the Successor
26 Agency that are described within the Purchase and Sale Agreement; and

27 **WHEREAS**, all of the prerequisites with respect to the approval of this Resolution have
28 been met.

1 **NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board for the Successor
2 Agency to the Redevelopment Agency of the City of San Bernardino, as follows:

3 **Section 1.** The foregoing recitals are true and correct and are a substantive part of this
4 Resolution.

5 **Section 2.** The Purchase Price for the Property is determined to be fair and reasonable.

6 **Section 3.** The Purchase and Sale Agreement for the Property between the Successor
7 Agency and Leaping Frog Investments, LLC, attached hereto as Exhibit "D,"
8 is approved.

9 **Section 4.** On behalf of the Successor Agency, the City Manager, in the capacity as
10 Executive Director of the Successor Agency, or designee, is authorized and
11 directed to execute the Purchase and Sale Agreement, the grant deed and to
12 take such other actions and execute such other documents as are necessary to
13 effectuate and close the purchase and sale of the Property and as may
14 otherwise be required to fulfill the intent of this Resolution.

15 **Section 5.** This Resolution shall take effect upon the date of its adoption. The
16 effectiveness of the Purchase and Agreement is conditioned upon its approval
17 by the DOF.

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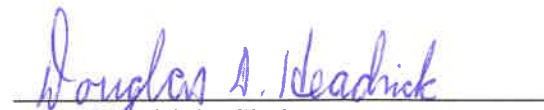
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 9 **APPROVING CERTAIN RELATED ACTIONS**

10 PASSED, APPROVED AND ADOPTED THIS 18th day of June, 2018, by the following vote:

Board Members	Ayes	Nays	Abstain	Absent
HEADRICK	X			
HILL	X			
MORRIS				X
(VACANT)				
SMITH	X			
TORRES	X			
(VACANT)				

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 18 
 Lisa Connor, Secretary

19 The foregoing Resolution is hereby approved this 18th day of June, 2018.

22
 23 
 Doug Headrick, Chairman
 Oversight Board for the
 Successor Agency to the Redevelopment
 Agency of the City of San Bernardino

**Narrative for Site No. 37
1256 Wall Avenue, San Bernardino
(APN 0146-241-07)
Excerpted from the
Long-Range Property Management Plan
(Pages 176-179)

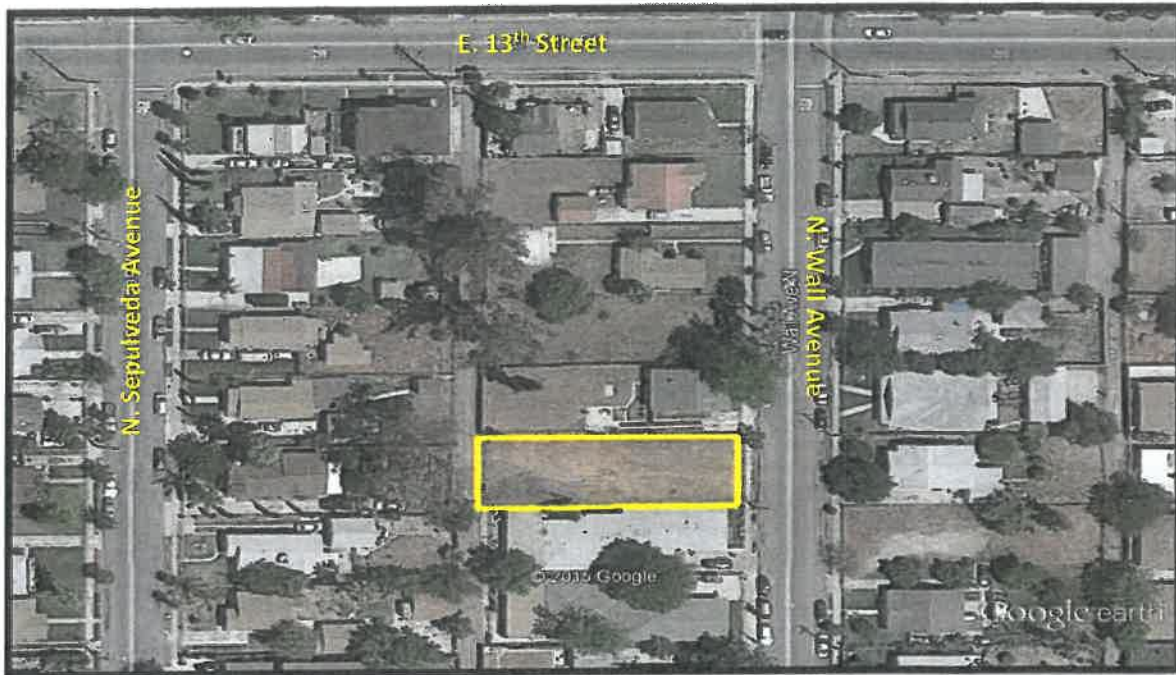
(See Attachment)**

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Site No. 37: Vacant Wall Avenue Residential Property

Address: 1256 Wall Avenue
APN: 0146-241-07





Site No. 37: Vacant Wall Avenue Residential Property

A. Permissible Use (HSC § 34191.5 (c) (2)):

Site No. 37 is the Vacant Wall Avenue Residential Property (the “Vacant Residential Property”) and is proposed to be sold by the Successor Agency.

B. Acquisition of Property (HSC § 34191.5 (c) (1) (A) and § 34191.5 (c) (1) (B)):

Property records indicate that the Vacant Residential Property was acquired by the Agency in January 2010, and carries a Book Value of \$5,450. The Vacant Residential Property was acquired by the Agency in order to meet the revitalization goals of City and the Agency to alleviate the existence and spread of physical and economic blight. The estimated current value (the “ECV”) of the Vacant Residential Property is approximately \$117,000.

C. Site Information (HSC § 34191.5 (c) (1) (C)):

The Vacant Residential Property consists of one (1) 0.17-acre parcel (APN 0146-241-07) located at 1256 Wall Avenue. The Vacant Residential Property is zoned Residential Medium (RM). The RM designation is intended to promote the development of single-family detached units in a suburban setting with a minimum lot size of 7,200 square feet, and a maximum density of 4.5 units per net acre.

D. Estimated Current Value (HSC § 34191.5 (c) (1) (D)):

To determine an ECV for the Vacant Residential Property, in January 2015, the Agency conducted a comparable sales analysis through the National Data Collective. The ECV was determined to be approximately \$117,000.

Local factors were not taken into consideration in determining the ECV of this site. The ECV is only a rough estimate that was obtained from an on-line source where only comparable sales data are available. It is not possible to include environmental issues or any other special or unique factors into simple ECV calculations, as such data are not available from the source. Therefore, the actual value of the property may vary significantly from the ECV. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 militate against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that book values will be realized.

E. Site Revenues (HSC § 34191.5 (c) (1) (E)):

There are no site revenues generated from the Vacant Residential Property.

F. History of Environmental Contamination (HSC § 34191.5 (c) (1) (F)):

There is no known history of environmental contamination.⁴³

⁴³ <http://geotracker.waterboards.ca.gov/map/?CMD=runreport&myaddress=1256+w.+wall+av+san+bernardino>



Site No. 37: Vacant Wall Avenue Residential Property

G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC § 34191.5 (c) (1) (G)):

There is no potential for a TOD in conjunction with Vacant Residential Property.

Selling the Vacant Residential Property advances the planning objectives of the Successor Agency and the City to develop and revitalize this area of the community through the creation of opportunities for private investment in the City.

H. History of Previous Development Proposals and Activity (HSC § 34191.5 (c) (1) (H)):

There is no history of previous development proposals or activities in conjunction with the Vacant Residential Property.

I. Disposition of Property:

The Successor Agency proposes to sell the Vacant Residential Property in accordance with the Successor Agency's policies and procedures for property disposition as shown in Exhibit "A" Section I. Purchase and Sale Procedures.

The ECV of the Vacant Residential Property is approximately \$117,000.

Date of estimated current value – January 2015

Value Basis – The ECV was determined by a comparable sales analysis using the National Data Collective subscription service. The ECV is approximately \$117,000.

Local factors that may affect land value were not taken into consideration. Therefore, the actual value of the property may vary greatly from the ECV. The ECV is only a planning number and should not be relied upon as a basis for actual value.

Proposed sale date – TBD and subject to the Successor Agency's implementation of its policies and procedures for property disposition as shown in Exhibit "A."

Proposed sale value – TBD and subject to a fair market appraisal conducted by a licensed appraiser.

The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 militate against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that book values will be realized.



Site No. 37: Vacant Wall Avenue Residential Property

J. Implementation of the Long-Range Property Management Plan:

Following the approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

For properties to be sold, implementation will include distribution of any land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board's approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF's review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the sale proceeds should be used to fulfill an enforceable obligation with any remaining sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.

**Leaping Frog Investments, LLC Offer
March 22, 2018**

(See Attachment)

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**DISCLOSURE REGARDING
REAL ESTATE AGENCY RELATIONSHIP**

(Selling Firm to Buyer)
(As required by the Civil Code)
(C.A.R. Form AD, Revised 12/14)

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

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 selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. 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 associate licensees, 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, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her 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.

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 Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

Buyer Seller Landlord Tenant Leaping Frog Investments, LLC  Date 03/22/2018 18:56:48
Leaping Frog Investments, LLC

Buyer Seller Landlord Tenant _____ Date _____

Agent Hilgenberg Realty Inc. BRE Lic. # 01417409

Heath Michael Hilgenberg  Real Estate Broker (Firm) BRE Lic. # 01242139 Date 03/22/2018 19:05:55

(Salesperson or Broker-Associate) Heath Michael Hilgenberg

Agency Disclosure Compliance (Civil Code §2079.14):

- When the listing brokerage company also represents Buyer/Tenant: The Listing Agent shall have one AD form signed by Seller/Landlord and a different AD form signed by Buyer/Tenant.
- When Seller/Landlord and Buyer/Tenant are represented by different brokerage companies: (i) the Listing Agent shall have one AD form signed by Seller/Landlord and (ii) the Buyer's/Tenant's Agent shall have one AD form signed by Buyer/Tenant and either that same or a different AD form presented to Seller/Landlord for signature prior to presentation of the offer. If the same form is used, Seller may sign here:

Seller/Landlord	Date	Seller/Landlord	Date
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AD REVISED 12/14 (PAGE 1 OF 2)

Reviewed by _____ Date _____



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

CIVIL CODE SECTIONS 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13 As used in Sections 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 Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 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. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee 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 associate licensee functions. (c) "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 vendee or lessee. (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29. (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (f) "Listing agreement" means a contract between an owner 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. (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (h) "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 listing agent. (i) "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. (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller. (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (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 Section 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. (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14 Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

2079.15 In any circumstance in which the seller or buyer refuses to sign an acknowledgement of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an 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 selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller'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 selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively 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 listing 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.

(DO NOT COMPLETE. SAMPLE ONLY) _____ is the agent of (check one): the seller exclusively; or both the buyer and seller.
(Name of Listing Agent)

(DO NOT COMPLETE. SAMPLE ONLY) _____ is the agent of (check one): the buyer exclusively; or the seller exclusively; or both the buyer and seller.
(Name of Selling Agent if not the same as the Listing Agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

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 Section 2079.14 and Section 2079.17 are complied with.

2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. 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 listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

2079.23 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.

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.



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Reviewed by _____ Date _____



AD REVISED 12/14 (PAGE 2 OF 2)

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

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1256 Wall St. -



VACANT LAND PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form VLPA, Revised 12/15)

Date Prepared: March 21, 2018

1. OFFER:

- A. THIS IS AN OFFER FROM Leaping Frog Investments, LLC ("Buyer"),
- B. THE REAL PROPERTY to be acquired is 1256 Wall Avenue, situated in San Bernardino (City), San Bernardino (County), California, 92404 (Zip Code), Assessor's Parcel No. 0146241070000 ("Property").
Further Described As _____
- C. THE PURCHASE PRICE offered is Fifty-Four Thousand Dollars \$ 54,000.00
- D. CLOSE OF ESCROW shall occur on _____ (date) (or 15 Days After Acceptance).
- E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

2. AGENCY:

- A. DISCLOSURE: The Parties each acknowledge receipt of a "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD).
- B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:
Listing Agent KELLER WILLIAMS REALTY (Print Firm Name) is the agent of (check one):
 the Seller exclusively; or both the Buyer and Seller.
Selling Agent Hilgenberg Realty Inc. (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): the Buyer exclusively; or the Seller exclusively; or both the Buyer and Seller.
- C. 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. FINANCE TERMS: Buyer represents that funds will be good when deposited with Escrow Holder.

- A. INITIAL DEPOSIT: Deposit shall be in the amount of \$ 3,000.00
(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, cashier's check, personal check, other _____ within 3 business days after Acceptance (or _____);
OR (2) Buyer Deposit with Agent: Buyer has given the deposit by personal check (or _____) to the agent submitting the offer (or to _____), made payable to _____. The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or _____).
Deposit checks given to agent shall be an original signed check and not a copy.

(Note: Initial and increased deposits checks received by agent shall be recorded in Broker's trust fund log.)

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of ... \$ _____ within _____ Days After Acceptance (or _____).
If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.
- C. ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or Buyer shall, within 3 (or _____) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

- (1) FIRST LOAN: in the amount of \$ _____
This loan will be conventional financing or FHA, VA, Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), subject to financing, Other _____. This loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.
- (2) SECOND LOAN in the amount of \$ _____
This loan will be conventional financing or Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), subject to financing, Other _____. This loan shall be at a fixed rate not to exceed _____ % or, an adjustable rate loan with initial rate not to exceed _____ %. Regardless of the type of loan, Buyer shall pay points not to exceed _____ % of the loan amount.
- (3) FHAVA: For any FHA or VA loan specified in 3D(1), Buyer has 17 (or _____) Days After Acceptance to Deliver to Seller written notice (C.A.R. Form FVA) of any lender-required repairs or costs that Buyer requests Seller to pay for or otherwise correct. Seller has no obligation to pay or satisfy lender requirements unless agreed in writing. A FHAVA amendatory clause (C.A.R. Form FVAC) shall be a part of this transaction.

E. ADDITIONAL FINANCING TERMS:

Buyer's Initials (LFI) (_____)
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Seller's Initials (_____) (_____)



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 1 OF 11)

- F. **BALANCE OF DOWN PAYMENT OR PURCHASE PRICE** in the amount of \$ 51,000.00
to be deposited with Escrow Holder pursuant to Escrow Holder instructions.
- G. **PURCHASE PRICE (TOTAL):** \$ 54,000.00
- H. **VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS:** Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within **3 (or ___) Days** After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (Verification attached.)
- I. **APPRAISAL CONTINGENCY AND REMOVAL:** This Agreement is (or is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 19B(3), in writing, remove the appraisal contingency or cancel this Agreement within **17 (or ___) Days** After Acceptance.
- J. **LOAN TERMS:**
 - (1) **LOAN APPLICATIONS:** Within **3 (or ___) Days** After Acceptance, Buyer shall Deliver to Seller 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 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (Letter attached.)
 - (2) **LOAN CONTINGENCY:** Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above **is a contingency** of this Agreement unless otherwise agreed in writing. 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. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs **are not contingencies** of this Agreement.
 - (3) **LOAN CONTINGENCY REMOVAL:**
Within **21 (or ___) Days** After Acceptance, Buyer shall, as specified in paragraph 19, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.
 - (4) **NO LOAN CONTINGENCY:** Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.
 - (5) **LENDER LIMITS ON BUYER CREDITS:** Any credit to Buyer, 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 the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit 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.
- K. **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 covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.
- L. **SELLER FINANCING:** The following terms (or the terms specified in the attached Seller Financing Addendum) (C.A.R. Form SFA) apply **ONLY** to financing extended by Seller under this Agreement.
 - (1) **BUYER'S CREDIT-WORTHINESS:** Buyer authorizes Seller and/or Brokers to obtain, at Buyer's expense, a copy of Buyer's credit report. Within **7 (or _____) Days** After Acceptance, Buyer shall provide any supporting documentation reasonably requested by Seller.
 - (2) **TERMS:** Buyer's promissory note, deed of trust and other documents as appropriate shall incorporate and implement the following additional terms: (i) the maximum interest rate specified in paragraph 3D shall be the actual fixed interest rate for Seller financing; (ii) deed of trust shall contain a REQUEST FOR NOTICE OF DEFAULT on senior loans; (iii) Buyer shall sign and pay for a REQUEST FOR NOTICE OF DELINQUENCY prior to Close Of Escrow and at any future time if requested by Seller; (iv) note and deed of trust shall contain an acceleration clause making the loan due, when permitted by law and at Seller's option, upon the sale or transfer of the Property or any interest in it; (v) note shall contain a late charge of 6% of the installment due (or _____) if the installment is not received within 10 days of the date due; (vi) title insurance coverage in the form of a joint protection policy shall be provided insuring Seller's deed of trust interest in the Property (any increased cost over owner's policy shall be paid by Buyer); and (vii) tax service shall be obtained and paid for by Buyer to notify Seller if property taxes have not been paid.
 - (3) **ADDED, DELETED OR SUBSTITUTED BUYERS:** The addition, deletion or substitution of any person or entity under this Agreement or to title prior to Close Of Escrow shall require Seller's written consent. Seller may grant or withhold consent in Seller's sole discretion. Any additional or substituted person or entity shall, if requested by Seller, submit to Seller the same documentation as required for the original named Buyer. Seller and/or Brokers may obtain a credit report, at Buyer's expense, on any such person or entity.
- M. **ASSUMED OR "SUBJECT TO" FINANCING:** Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 19, provide Copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, as specified in paragraph 19B(3), remove this contingency or cancel this Agreement. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If this is an assumption of a VA Loan, the sale is contingent upon Seller being provided a release of liability and substitution of eligibility, unless otherwise agreed in writing. 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.

Buyer's Initials (LF) (_____)

Seller's Initials (_____) (_____)



4. SALE OF BUYER'S PROPERTY:

A. This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.
OR B. This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).

5. MANUFACTURED HOME PURCHASE: The purchase of the Property is contingent upon Buyer acquiring a personal property manufactured home to be placed on the Property after Close Of Escrow. Buyer has not entered into a contract for the purchase of a personal property manufactured home. Within the time specified in paragraph 19, Buyer shall remove this contingency or cancel this Agreement, (or this contingency shall remain in effect until the Close Of Escrow of the Property).

6. CONSTRUCTION LOAN FINANCING: The purchase of the Property is contingent upon Buyer obtaining a construction loan. A draw from the construction loan will not be used to finance the Property. Within the time specified in paragraph 19, Buyer shall remove this contingency or cancel this Agreement (or this contingency shall remain in effect until Close Of Escrow of the Property).

7. ADDENDA AND ADVISORIES:

- A. ADDENDA: Addendum # (C.A.R. Form ADM)
Back Up Offer Addendum (C.A.R. Form BUO)
Court Confirmation Addendum (C.A.R. Form CCA)
Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)
Short Sale Addendum (C.A.R. Form SSA)
Other

B. BUYER AND SELLER ADVISORIES:

- Buyer's Inspection Advisory (C.A.R. Form BIA)
Probate Advisory (C.A.R. Form PA)
Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
Trust Advisory (C.A.R. Form TA)
REO Advisory (C.A.R. Form REO)
Short Sale Information and Advisory (C.A.R. Form SSIA)
Other

8. OTHER TERMS:

9. ALLOCATION OF COSTS

A. INSPECTIONS, REPORTS AND CERTIFICATES: Unless otherwise agreed, in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it does not determine who is to pay for any work recommended or identified in the Report.

- (1) Buyer Seller shall pay for a natural hazard zone disclosure report, including tax environmental Other:
prepared by *MyNHD \$74.95
(2) Buyer Seller shall pay for the following Report prepared by
(3) Buyer Seller shall pay for the following Report prepared by

B. ESCROW AND TITLE:

- (1) (a) Buyer Seller shall pay escrow fee EACH TO PAY THEIR OWN HALF
(b) Escrow Holder shall be SELLER'S CHOICE
(c) The Parties shall, within 5 (or) Days After receipt, sign and return Escrow Holder's general provisions.
(2) (a) Buyer Seller shall pay for owner's title insurance policy specified in paragraph 18E
(b) Owner's title policy to be issued by SELLER'S CHOICE
(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

C. OTHER COSTS:

- (1) Buyer Seller shall pay County transfer tax or fee
(2) Buyer Seller shall pay City transfer tax or fee
(3) Buyer Seller shall pay Homeowners' Association ("HOA") transfer fee
(4) Seller shall pay HOA fees for preparing all documents required to be delivered by Civil Code §4525.
(5) Buyer to pay for any HOA certification fee.
(6) Buyer Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.
(7) Buyer Seller shall pay for any private transfer fee
(8) Buyer Seller shall pay for
(9) Buyer Seller shall pay for

10. CLOSING AND POSSESSION: Possession shall be delivered to Buyer: (i) at 6 PM or (AM/ PM) on the date of Close Of Escrow; (ii) no later than calendar days after Close Of Escrow; or (iii) at AM/ PM on
The Property shall be unoccupied, unless otherwise agreed in writing. Seller shall provide keys and/or means to operate all Property locks. If Property is located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

11. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

A. NOTE TO BUYER AND SELLER: Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in 11B or C.

Buyer's Initials (LFI) ()

Seller's Initials () ()



B. ITEMS INCLUDED IN SALE:

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) The following items: _____

(3) Seller represents that all items included in the purchase price, unless otherwise specified, are owned by Seller.

(4) All items included shall be transferred free of liens and without Seller warranty.

C. ITEMS EXCLUDED FROM SALE: _____

12. STATUTORY AND OTHER DISCLOSURES AND CANCELLATION RIGHTS:

A. NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS: Within the time specified in paragraph 19A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet; (ii) 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; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.

B. WITHHOLDING TAXES: Within the time specified in paragraph 19A, to avoid required withholding, Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).

C. MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to Section 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 Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

D. 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 Web site.

E. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:

(1) SELLER HAS: 7 (or ___) Days After Acceptance to disclose to Buyer whether the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form VLQ).

(2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has 3 (or ___) Days After Acceptance to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (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; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 19B(3). The Party specified in paragraph 9, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.

13. SELLER DOCUMENTATION AND ADDITIONAL DISCLOSURE:

A. Within the time specified in paragraph 19, 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 or 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.

B. RENTAL AND SERVICE AGREEMENTS: Within the time specified in paragraph 19, Seller shall make available to Buyer for inspection and review, all current leases, rental agreements, service contracts and other related agreements, licenses, and permits pertaining to the operation or use of the Property.

C. TENANT ESTOPPEL CERTIFICATES: Within the time specified in paragraph 19, Seller shall deliver to Buyer tenant estoppel certificates (C.A.R. Form TEC) completed by Seller or Seller's agent, and signed by tenants, acknowledging: (i) that tenants' 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.

Buyer's Initials (LFI) (_____)

Seller's Initials (_____) (_____)



- D. **MELLO-ROOS TAX; 1915 BOND ACT:** Within the time specified in paragraph 19, 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.
- E. **SELLER VACANT LAND QUESTIONNAIRE:** Seller shall, within the time specified in paragraph 19, complete and provide Buyer with a Seller Vacant Land Questionnaire (C.A.R. Form VLQ).
- 14. **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 of which Buyer is otherwise unaware, Seller shall promptly provide 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 disclosed in reports ordered and paid for by Buyer.**
- 15. **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 15B: (i) rent or lease any 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. At least 7 (or ___) Days prior to any Proposed Changes, Seller shall give written notice to Buyer of such Proposed Changes. Within 5 (or ___) 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.
- 16. **CONDITION OF PROPERTY:** Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (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.
 - A. Seller shall, within the time specified in paragraph 19A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
 - B. Buyer has the right to conduct Buyer Investigations of the property and, as specified in paragraph 19B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
 - C. **Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller 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 permits issued.**
- 17. **BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**
 - A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 19B. Within the time specified in paragraph 19B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). 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; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
 - B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 19B, complete Buyer Investigations and, either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
 - C. **Buyer indemnity and Seller protection for entry upon 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 of Buyer's Investigations. 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 or cancellation of this Agreement and Close Of Escrow.
 - D. **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 THIS PARAGRAPH 17, UNLESS OTHERWISE AGREED IN WRITING.**
 - E. **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.)
 - F. **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.)
 - G. **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.

Buyer's Initials (LFI) (_____)

Seller's Initials (_____) (_____)



- H. **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.
 - I. **GEOLOGIC CONDITIONS:** Geologic/seismic conditions, soil and terrain stability, suitability and drainage including any slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.
 - J. **NATURAL HAZARD ZONE:** Special Flood Hazard Areas, Potential Flooding (Inundation) Areas, Very High Fire Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.
 - K. **PROPERTY DAMAGE:** Major damage to the Property or 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.
 - L. **NEIGHBORHOOD, AREA AND PROPERTY CONDITIONS:** Neighborhood or area 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 Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.
 - M. **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.
 - N. **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.
 - O. **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 a landlord to terminate a tenancy.
 - P. **MANUFACTURED HOME PLACEMENT:** Conditions that may affect the ability to place and use a manufactured home on the Property.
- 18. TITLE AND VESTING:**
- A. Within the time specified in paragraph 19, Buyer shall be provided a current preliminary title report ("Preliminary Report"). 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. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 19B. 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. Seller shall within **7 Days After Acceptance**, give Escrow Holder a completed Statement of Information.
 - 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 (which Seller is obligated to pay off) 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.
 - C. Within the time specified in paragraph 19A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
 - D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. **THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.**
 - E. Buyer shall receive a "CLTA/ALTA Homeowner's Policy of Title Insurance", if applicable to the type of property and 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.
- 19. 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 or CC).
- A. **SELLER HAS: 7 (or ___) Days After Acceptance** to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 3M, 7A, 8, 9, 12A, B, and E, 13, 16A and 18A. Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement if Seller has not Delivered the items within the time specified.
 - B. **(1) BUYER HAS: 17 (or ___) Days After Acceptance**, unless otherwise agreed in writing, to:
 - (i) complete all Buyer Investigations; review all disclosures, reports, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory Disclosures and other disclosures Delivered by Seller in accordance with paragraph 12A.
 - (2) Within the time specified in paragraph 19B(1), Buyer may 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 (C.A.R. Form RRRR) Buyer's requests.
 - (3) By the end of the time specified in paragraph 19B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 19A, then Buyer has **5 (or ___) Days After Delivery** of any such items, or the time specified in paragraph 19B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.

Buyer's Initials (LFJ) (_____)

Seller's Initials (_____) (_____)



(4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 19B(1) and before Seller cancels, if at all, pursuant to paragraph 19C, 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 19C(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 NBP, 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 3A or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification as required by paragraph 3C or 3H or if Seller reasonably disapproves of the verification provided by paragraph 3C or 3H; (v) Return Statutory Disclosures as required by paragraph 12A; or (vi) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 27B; or (vii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

D. NOTICE TO BUYER OR SELLER TO PERFORM: The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2(or ____) Days After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than 2 Days Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 19.

E. EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES: If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, 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 Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

F. CLOSE OF 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 (or ____) Days After Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days Prior to the scheduled close of escrow.

G. 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 mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, **release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award.** If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursal of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. **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 who is entitled to the deposited funds (Civil Code §1057.3).**

20. REPAIRS: Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. 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. It is understood 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.

21. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final verification of the Property within 5 (or ____) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 16; (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).

22. 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) Broker(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) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation off/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 off/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.

23. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS: Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed 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

Buyer's Initials (LFJ) (_____)

Seller's Initials (_____) (_____)



District bonds and assessments that are now a lien. 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 assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be 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). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

24. BROKERS:

- A. **COMPENSATION:** Seller or Buyer, or both, as applicable, agrees to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. 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.
- B. **SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (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 Broker; (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.

25. REPRESENTATIVE CAPACITY: If one or more Parties is signing the Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 37 or 38 and attach a Representative Capacity Signature Addendum (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on the 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 Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within 3 Days After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

26. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:

- A. 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, 3, 4B, 5, 6, 7A, 8, 9, 12B, 18, 19G, 23, 24A, 25, 26, 32, 35, 36, 37, 38 and paragraph D of the section titled Real Estate Brokers on page 11. If a Copy of the separate compensation agreement(s) provided for in paragraph 24A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, 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. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 9B(1)(c). 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 will 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 (or ___) Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 9, 12 or elsewhere in this Agreement.
- B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or _____). 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 Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 12B, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.
- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 24A and paragraph D of the section titled Real Estate Brokers on page 11. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 24A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit 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.
- E. 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.

Buyer's Initials (LFJ) (_____)

Seller's Initials (_____) (_____)



27. REMEDIES FOR BUYER'S BREACH OF CONTRACT:

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT 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 RID).**

Buyer's Initials LFJ / _____

Seller's Initials _____ / _____

28. DISPUTE RESOLUTION:

- A. **MEDIATION:** 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 through the C.A.R. Consumer Mediation Center (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 Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. 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. Exclusions from this mediation agreement are specified in paragraph 28C.**
- B. **ARBITRATION OF DISPUTES:** 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 Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. 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. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, 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. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 28C.

"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 LFJ / _____

Seller's Initials _____ / _____

C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) 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; (ii) an unlawful detainer action; and (iii) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.
- (2) **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; or (iii) the filing of a mechanic's lien.
- (3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to the Agreement.

29. SELECTION OF SERVICE PROVIDERS: Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.

30. MULTIPLE LISTING SERVICE ("MLS"): Brokers are authorized to report to the MLS a pending sale 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's Initials (LFJ) (_____)

Seller's Initials (_____) (_____)



31. ATTORNEY FEES: 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 attorneys fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 28A.

32. ASSIGNMENT: Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the written consent of Seller. Such consent shall not be unreasonably withheld unless otherwise agreed in writing. Any total or partial assignment shall not relieve Buyer of Buyer's obligations pursuant to this Agreement unless otherwise agreed in writing by Seller (C.A.R. Form AOAA).

33. EQUAL HOUSING OPPORTUNITY: The Property is sold in compliance with federal, state and local anti-discrimination Laws.

34. TERMS AND CONDITIONS OF OFFER: This is an offer to purchase the Property on the above terms and conditions. The liquidated damages paragraph or the arbitration of disputes paragraph is incorporated in this Agreement if initialed by all Parties or if incorporated by mutual agreement in a counteroffer 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. Buyer has read and acknowledges receipt of a Copy of the offer and agrees 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.

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 specified, 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. DEFINITIONS: As used in this Agreement:

- A. "Acceptance" means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
- B. "Agreement" means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.
- C. "C.A.R. Form" means the most current version of the specific form referenced or another comparable form agreed to by the parties.
- D. "Close Of Escrow" means the date the grant deed, or other evidence of transfer of title, is recorded.
- E. "Copy" means copy by any means including photocopy, NCR, facsimile and electronic.
- F. "Days" means calendar days. However, after Acceptance, the last Day for performance of any act required by this Agreement (including Close Of Escrow) shall not include any Saturday, Sunday, or legal holiday and shall instead be the next Day.
- G. "Days After" means the specified number of calendar days after the occurrence of the event specified, not counting the calendar date on which the specified event occurs, and ending at 11:59 PM on the final day.
- H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.
- I. "Deliver", "Delivered" or "Delivery", unless otherwise specified in writing, means and shall be effective upon: personal receipt by Buyer or Seller or the individual Real Estate Licensee for that principal as specified in the section titled Real Estate Brokers on page 11, regardless of the method used (i.e., messenger, mail, email, fax, other).
- J. "Electronic Copy" or "Electronic Signature" means, as applicable, an electronic copy or signature complying with California Law. 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.
- K. "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.
- L. "Repairs" means any repairs (including pest control), alterations, replacements, modifications or retrofitting of the Property provided for under this Agreement.
- M. "Signed" means either a handwritten or electronic signature on an original document, Copy or any counterpart.

37. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit, if any, shall be returned to Buyer unless the offer is Signed by Seller and a Copy of the Signed offer is personally received by Buyer, or by _____, who is authorized to receive it, by 5:00 PM on the third Day after this offer is signed by Buyer (or by _____ AM/ PM, on _____ (date)).

One or more Buyers is signing the Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-B) for additional terms.

Date 03/22/2018 18:56:48 BUYER Leaping Frog Investments, LLC 

(Print name) Leaping Frog Investments, LLC

Date _____ BUYER _____

(Print name) _____

Additional Signature Addendum attached (C.A.R. Form ASA).

Buyer's Initials (LFI) (_____)

Seller's Initials (_____) (_____)



Property Address: **1256 Wall Avenue, San Bernardino, CA 92404**

Date: **March 21, 2018**

38. 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, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to Deliver a Signed Copy to Buyer.

(If checked) SELLER'S ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form SCO or SMCO) DATED:

One or more Sellers is signing the Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S) for additional terms.

Date _____ SELLER _____
(Print name) _____

Date _____ SELLER _____
(Print name) _____

Additional Signature Addendum attached (C.A.R. Form ASA).

(_____/_____) (Do not initial if making a counter offer.) CONFIRMATION OF ACCEPTANCE: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____
(Initials) AM/ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.


REAL ESTATE BROKERS:


A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

B. Agency relationships are confirmed as stated in paragraph 2.

C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.

D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (**Selling Firm**) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow, the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Listing Broker and Cooperating Broker are not both Participants of the MLS, or a reciprocal MLS, in which the Property is offered for sale, then compensation must be specified in a separate written agreement (C.A.R. Form CBC). Declaration of License and Tax (C.A.R. Form DLT) may be used to document that tax reporting will be required or that an exemption exists.

Real Estate Broker (Selling Firm) **Hilgenberg Realty Inc.** CalBRE Lic. # **01417409**
By **Heath Michael Hilgenberg**  **Heath Michael Hilgenberg** CalBRE Lic. # **01242139** Date **03/22/2018 19:05:55**
By _____ CalBRE Lic. # _____ Date _____
Address _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Listing Firm) **KELLER WILLIAMS REALTY** CalBRE Lic. # **01904376**
By **LARA FERNANDEZ**  **LARA FERNANDEZ** CalBRE Lic. # **02015587** Date **03/22/2018 22:15:27**
By _____ CalBRE Lic. # _____ Date _____
Address **1473 FORD STREET STE 200** City **REDLANDS** State **CA** Zip **92373**
Telephone **(909)793-2100** Fax **(909)793-8200** E-mail **lara_jane192@yahoo.com**

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ _____), counter offer numbers _____ Seller's Statement of Information and _____, and agrees to act as Escrow Holder subject to paragraph 26 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder _____ Escrow # _____
By _____ Date _____

Address _____
Phone/Fax/E-mail _____


Escrow Holder has the following license number # _____

Department of Business Oversight, Department of Insurance, Bureau of Real Estate.

PRESENTATION OF OFFER: (_____) Listing Broker presented this offer to Seller on _____ (date).
Broker or Designee Initials _____

REJECTION OF OFFER: (_____) (_____) No counter offer is being made. This offer was rejected by Seller on _____ (date).
Seller's Initials _____

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VLPA REVISED 12/15 (PAGE 11 OF 11)

Buyer's Acknowledge that page 11 is part of this Agreement (LFI) (_____)

Reviewed by
Broker or Designee _____





BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 11/14)

Property Address: 1256 Wall Avenue, San Bernardino, CA 92404 ("Property").

1. IMPORTANCE OF PROPERTY INVESTIGATION: The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

2. BROKER OBLIGATIONS: Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.

3. YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.

A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS: Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and nonstructural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.

B. SQUARE FOOTAGE, AGE, BOUNDARIES: Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.

C. WOOD DESTROYING PESTS: Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.

D. SOIL STABILITY: Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.

E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL: Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.

F. ENVIRONMENTAL HAZARDS: Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).

G. EARTHQUAKES AND FLOODING: Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.

H. FIRE, HAZARD AND OTHER INSURANCE: The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.

I. BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS: Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size.

J. 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 a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.

K. SECURITY AND SAFETY: State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.

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

By signing below, Buyers acknowledge that they have read, understand, accept and have received a Copy of this Advisory.

Buyers are encouraged to read it carefully.

Buyer Leaping Frog Investments, LLC 03/22/2018 18:56:48 Buyer _____
Leaping Frog Investments, LLC

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BIA REVISED 11/14 (PAGE 1 OF 1)

BUYER'S INSPECTION ADVISORY (BIA PAGE 1 OF 1)



**POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER
OR SELLER - DISCLOSURE AND CONSENT**

(C.A.R. Form PRBS, 11/14)

A real estate broker (Broker), whether a corporation, partnership or sole proprietorship, may represent more than one buyer or seller. This multiple representation can occur through an individual licensed as a broker or salesperson or through different individual broker's or salespersons (associate licensees) acting under the Broker's license. The associate licensees may be working out of the same or different office locations.

Multiple Buyers: Broker (individually or through its associate licensees) may be working with many prospective buyers at the same time. These prospective buyers may have an interest in, and make offers on, the same properties. Some of these properties may be listed with Broker and some may not. Broker will not limit or restrict any particular buyer from making an offer on any particular property whether or not Broker represents other buyers interested in the same property.

Multiple Sellers: Broker (individually or through its associate licensees) may have listings on many properties at the same time. As a result, Broker will attempt to find buyers for each of those listed properties. Some listed properties may appeal to the same prospective buyers. Some properties may attract more prospective buyers than others. Some of these prospective buyers may be represented by Broker and some may not. Broker will market all listed properties to all prospective buyers whether or not Broker has another or other listed properties that may appeal to the same prospective buyers.


Dual Agency: If Seller is represented by Broker, Seller acknowledges that broker may represent prospective buyers of Seller's property and consents to Broker acting as a dual agent for both seller and buyer in that transaction. If Buyer is represented by Broker, buyer acknowledges that Broker may represent sellers of property that Buyer is interested in acquiring and consents to Broker acting as a dual agent for both buyer and seller with regard to that property.

In the event of dual agency, seller and buyer agree that: (a) Broker, without the prior written consent of the Buyer, will not disclose to seller that the Buyer is willing to pay a price greater than the offered price; (b) Broker, without the prior written consent of the seller, will not disclose to the buyer that seller is willing to sell property at a price less than the listing price; and (c) other than as set forth in (a) and (b) above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the property to both parties.


Offers not necessarily confidential: Buyer is advised that seller or listing agent may disclose the existence, terms, or conditions of buyer's offer unless all parties and their agent have signed a written confidentiality agreement. Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the listing agent's marketing strategy and the instructions of the seller.

Buyer and seller understand that Broker may represent more than one buyer or more than one seller and even both buyer and seller on the same transaction and consents to such relationships.


Seller and/or Buyer acknowledges reading and understanding this Possible Representation of More Than One Buyer or Seller - Disclosure and Consent and agrees to the agency possibilities disclosed.

Seller _____ Date _____
 Seller _____ Date _____
 Buyer Leaping Frog Investments, LLC  Leaping Frog Investments, LLC Date 03/22/2018 18:56:48
 Buyer _____ Date _____

Real Estate Broker (Firm) KELLER WILLIAMS REALTY CalBRE Lic # 01904376 Date _____
 By LARA FERNANDEZ  CalBRE Lic # 02015587 Date 03/22/2018 22:15:27
LARA FERNANDEZ

Real Estate Broker (Firm) Hilgenberg Realty Inc. CalBRE Lic # 01417409 Date _____
 By Heath Michael Hilgenberg  CalBRE Lic # 01242139 Date 03/22/2018 19:05:55
Heath Michael Hilgenberg

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Reviewed by _____ Date _____



**Broker's Opinion of Value
Prepared by
Keller Williams

(See Attachment)**

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1256 Wall Ave., San Bernardino, CA 92404



PREPARED FOR:

Ms. Lisa Connor
Project Manager
Successor Agency to the Redevelopment Agency
of the City of San Bernardino
290 N. "D" Street - 3rd Floor
San Bernardino, CA 92401

FOR THE PROPERTY LOCATED AT:

1256 Wall Ave.
San Bernardino, CA 92404
APN: 0146-241-07

April 6, 2018

KW COMMERCIAL
1473 Ford Street
Redlands, CA 92373

KENNETH PATTERSON
Agent
O 909.793.2100
kenpcommercial@gmail.com

DOUGLAS REYNOLDSON
Commercial Real Estate Investment Advisor
O 909.793.2100
C 909.478.4517
dreynoldson@kwcommercial.com
CalBRE #01456022

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1256 Wall Ave., San Bernardino, CA 92404

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Comparable #2

- Property Profile
- Assessor's Parcel Map
- Aerial

Comparable #3

- Property Profile
- Assessor's Parcel Map
- Aerial

Leading Broker's Resume

KW COMMERCIAL
1473 Ford Street
Redlands, CA 92373

KENNETH PATTERSON
Agent
O 909.793.2100
kenpcommercial@gmail.com

DOUGLAS REYNOLDSON
Commercial Real Estate Investment Advisor
O 909.793.2100
C 909.478.4517
dreynoldson@kwcommercial.com
CalBRE #01456022

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1256 Wall Ave., San Bernardino, CA 92404

April 6, 2018

Ms. Lisa Connor
Project Manager
Successor Agency to the Redevelopment Agency
of the City of San Bernardino
290 N "D" Street – 3rd Floor
San Bernardino, California 92401

RE: Broker Opinion of Value for Site No. 37 – APN 0146-241-07

Dear Ms. Connor:

We have prepared the following report regarding our opinion of value for the above referenced property. We utilized a comparable sales approach to determine our opinion of value for this property.

Subject Property

The subject property is zoned Residential Medium ("RM"), which allows for the development of multi-family townhouses, condominiums and apartments. The property consists of one parcel of land approximately 0.17 acres (7405.2 SF).

Comparable Sales

As further described within this report, within the last 22 months, there have been 3 property sales which can be used as sale comparable for this Site. The comparable are all zoned RM. The Sale Comparable dates run from June 2016 to October 2017. The Sale Comparables are summarized below:

Sales Comparables Summary

	APN	Address	Lot SF	Sale Value	Price/SF	Sale Date
Property Site	0146-241-07	1256 Wall Ave.	7,405.2	\$54,000		
Sale Comparable #1	0279-074-33	7961 Pedley Rd.	6,190	\$38,000	\$6.14	9/7/2017
Sale Comparable #2	0273-103-04	6955 Perris Hill Rd.	20,000	\$85,000	\$4.25	6/30/2016
Sale Comparable #3	0140-221-09	W. 9th St.	7,500	\$31,500	\$4.20	10/26/2017
Average Price/SF					\$4.86	

KW COMMERCIAL
1473 Ford Street
Redlands, CA 92373

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CalBRE #01456022

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1256 Wall Ave., San Bernardino, CA 92404

Broker Opinion of Value

Based on the foregoing, the average price per square foot of the three vacant Sale Comparables is \$4.86. Applying this average price per square foot to the lot square footage (7,405.2 SF), a value of \$35,989 results. It is our opinion that the subject property is worth \$35,989.

We appreciate the opportunity to prepare this report. Please do not hesitate to call with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kenneth Patterson', written over a white background.

Kenneth Patterson
BRE #00774852
1473 Ford St. #200
Redlands, CA 92373
951-318-8516
kenpcommercial@gmail.com

KW COMMERCIAL
1473 Ford Street
Redlands, CA 92373

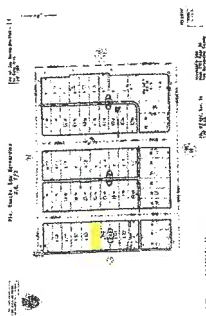
KENNETH PATTERSON
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DOUGLAS REYNOLDSON
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C 909.478.4517
dreynoldson@kwcommercial.com
CalBRE #01456022

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www.kwcommercial.com

1256 Wall Ave, San Bernardino, CA 92404, San Bernardino County



N/A	N/A	7,500	\$54,000
Beds	Bldg Sq Ft	Lot Sq Ft	MLS List Price
N/A	N/A	VCNT LND-NE	01/1991
Baths	Yr Built	Type	Sale Date

Active Listing

Owner Information

Owner Name:	Successor Agency/Rda City Of Sn Bndo	Tax Billing Zip:	92401
Mail Owner Name:	Successor Agency/Rda City Of Sn Bndo	Tax Billing Zip+4:	1520
Tax Billing Address:	201 N E St #301	Owner Occupied:	No
Tax Billing City & State:	San Bernardino, CA		

Location Information

Zip Code:	92404	Comm College District Code:	San Bernardino Vly J
Carrier Route:	C002	Census Tract:	55.00
Zoning:	R-M	Topography:	Flat/Level
School District:	San Bernardino	Neighborhood Code:	091-091

Tax Information

APN :	0146-241-07-0000	Lot:	5
Tax Area:	7012	Block:	C
Tax Appraisal Area:	12	Water Tax Dist:	San Bernardino Vly J
Legal Description:	DUNN AND BLACK SUB LOT 5 BLK C		

Characteristics

County Land Use:	Vacant Land	Lot Acres:	0.172
Universal Land Use:	Vacant Land (NEC)	Lot Area:	7,500
Lot Frontage:	50	Water:	Public
Lot Depth:	150	Sewer:	Public Service

Listing Information

MLS Listing Number:	EV17251208	MLS Current List Price:	\$54,000
MLS Status:	Active	MLS Original List Price:	\$54,000
MLS Area:	274 - SAN BERNARDINO	MLS Listing Agent:	Evfernlar-Lara Fernandez
MLS Status Change Date:	11/04/2017	MLS Listing Broker:	KELLER WILLIAMS REALTY

MLS Listing #	682834779
MLS Status	Active
MLS Listing Date	10/18/2017
MLS Listing Price	\$54,000
MLS Orig Listing Price	\$54,000
MLS Listing Close Price	\$0

Last Market Sale & Sales History

Recording Date:	02/27/1991	Sale Type:	Full
Sale Date:	01/1991	Deed Type:	Grant Deed
Sale Price:	\$53,000	Owner Name:	Successor Agency/Rda City Of Sn Bndo
Document Number:	66896	Seller:	Anderson Florence E

Courtesy of LARA FERNANDEZ, KELLER WILLIAMS REALTY, California Regional MLS

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Property Detail

Generated on 04/06/2018

Recording Date	12/03/2014	03/18/2011	08/08/2002	02/27/1991
Sale Date	11/24/2014	03/17/2011	08/07/2002	01/1991
Sale Price			\$36,478	\$53,000
Nominal	Y	Y		
Buyer Name	Redevelopment Agcy Of San Bernard	San Bernardino Economic Dev Co	Federal Natl Mtg Assn Fnma	Garcia Abel & Grace
Seller Name	San Bernardino Economic Dev Co	Redevelopment Agcy Of San Bernard	California Reconveyance Co	Anderson Florence E
Document Number	463051	112434	417135	66896
Document Type	Quit Claim Deed	Quit Claim Deed	Trustee Deed	Grant Deed

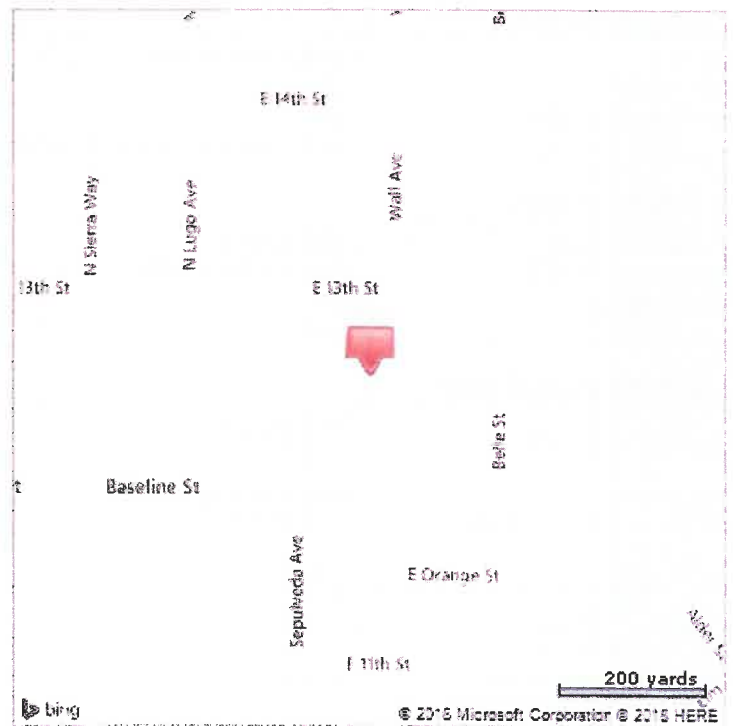
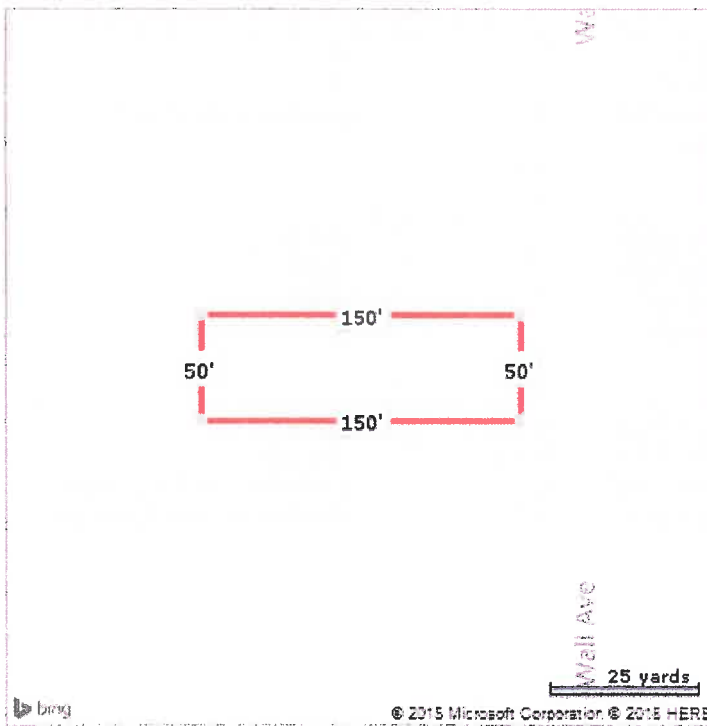
Mortgage History

Mortgage Date	02/27/1991
Mortgage Amount	\$39,500
Mortgage Lender	Great Wstrn Bk
Mortgage Code	Conventional

Foreclosure History

Document Type	Notice Of Trustee's Sale	Notice Of Default	Notice Of Default
Default Date		04/08/2002	04/01/2002
Recording Date	07/12/2002	04/09/2002	04/03/2002
Document Number	359273	173269	164873
Default Amount		\$1,744	\$1,758
Final Judgment Amount	\$36,313		
Original Doc Date	02/27/1991	02/27/1991	02/27/1991
Original Document Number	66897	66897	66897

Property Map



*Lot Dimensions are Estimated

Courtesy of LARA FERNANDEZ, KELLER WILLIAMS REALTY, California Regional MLS

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Property Detail

Generated on 04/06/2018

Page 2 of 2

1256 Wall Ave., San Bernardino, CA 92404



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CalBRE #01456022

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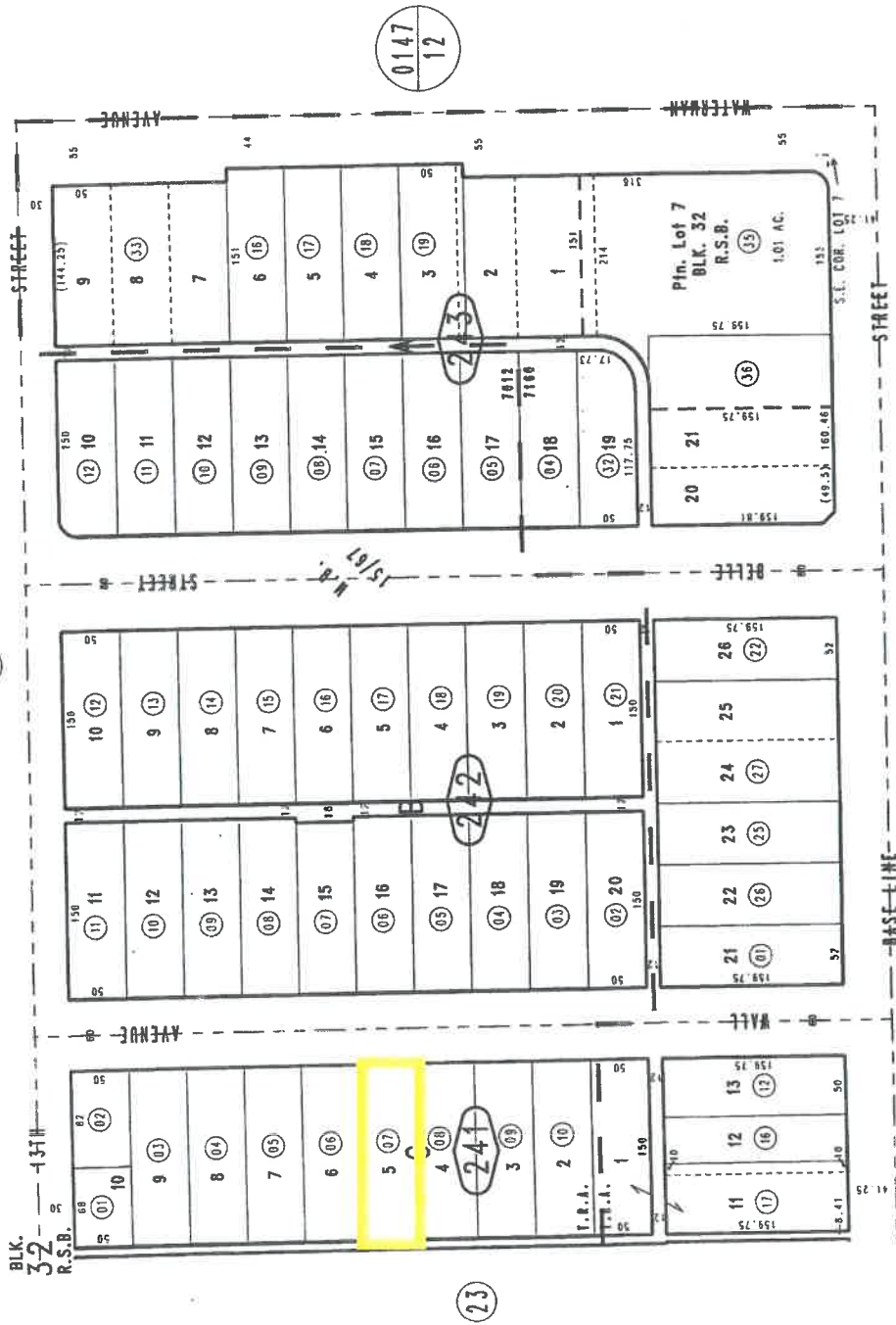
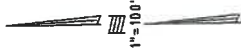
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THIS MAP IS FOR THE PURPOSE
OF AD VALOREM TAXATION ONLY.



Ptn. Rancho San Bernardino
M.B. 7/2

City of San Bernardino 0146 - 24
Tax Rate Area
7012 7160



FEB 09 2017
REVISED
12/21/16 KC

Assessor's Map
Book 0146 Page 24
San Bernardino County

Ptn. N.E. 1/4, Sec. 34
T. 1N., R. 4W.

Dunn & Bleck Sub., M.B. 15/67

March 2005

1256 Wall Ave., San Bernardino, CA 92404



Comparable Sale #1

- Property Profile
- Assessor's Parcel Map
- Aerial

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7961 Pedley Rd, San Bernardino, CA 92410, San Bernardino County



N/A	N/A	6,180	\$38,000
Beds	Bldg Sq Ft	Lot Sq Ft	Sale Price
N/A	N/A	VCNT LND-NE	09/07/2017
Baths	Yr Built	Type	Sale Date

Owner Information

Owner Name:	Ferrero Tina	Tax Billing Zip:	92373
Mail Owner Name:	Tina Ferrero	Tax Billing Zip+4:	6535
Tax Billing Address:	1200 Sunnyside Ave	Owner Vesting:	Widow
Tax Billing City & State:	Redlands, CA	Owner Occupied:	No

Location Information

Zip Code:	92410	Comm College District Code:	San Bernardino Vly J
Carrier Route:	C011	Census Tract:	65.00
Zoning:	RM	Topography:	Flat/Level
Tract Number:	2345	Neighborhood Code:	092-092
School District:	San Bernardino		

Tax Information

APN :	0279-074-33-0000	Lot:	7
Tax Area:	107137	Water Tax Dist:	San Bernardino Vly J
Tax Appraisal Area:	12	Fire Dept Tax Dist:	San Bernardino Co
Legal Description:	TR NO 2345 COTTAGE GARDENS LOTS 6 AND 7 EX S 2 FT SD LOT 7		

Assessment & Tax

Assessment Year	2017	2016	2015
Assessed Value - Total	\$17,499	\$17,156	\$16,898
Assessed Value - Land	\$17,499	\$17,156	\$16,898
YOY Assessed Change (\$)	\$343	\$258	
YOY Assessed Change (%)	2%	1.53%	

Tax Year	Total Tax	Change (\$)	Change (%)
2015	\$225		
2016	\$220	-\$4	-1.84%
2017	\$677	\$457	207.43%

Special Assessment	Tax Amount
Co Land Svcs/Fire Hazard	\$450.30
Sb Valley Muni Wtr Dbt Svc	\$26.68
School Bonds	\$17.62
San Bdno Comm College Bond	\$6.57
Co Ventor Control	\$1.30
Total Of Special Assessments	\$502.47

Characteristics

County Land Use:	Vacant Land	Lot Acres:	0.1419
Universal Land Use:	Vacant Land (NEC)	Lot Area:	6,180
Lot Frontage:	60	Water:	Public
Lot Depth:	103	Sewer:	None

Last Market Sale & Sales History

Courtesy of LARA FERNANDEZ, KELLER WILLIAMS REALTY, California Regional MLS

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Property Detail

Generated on 04/07/2018

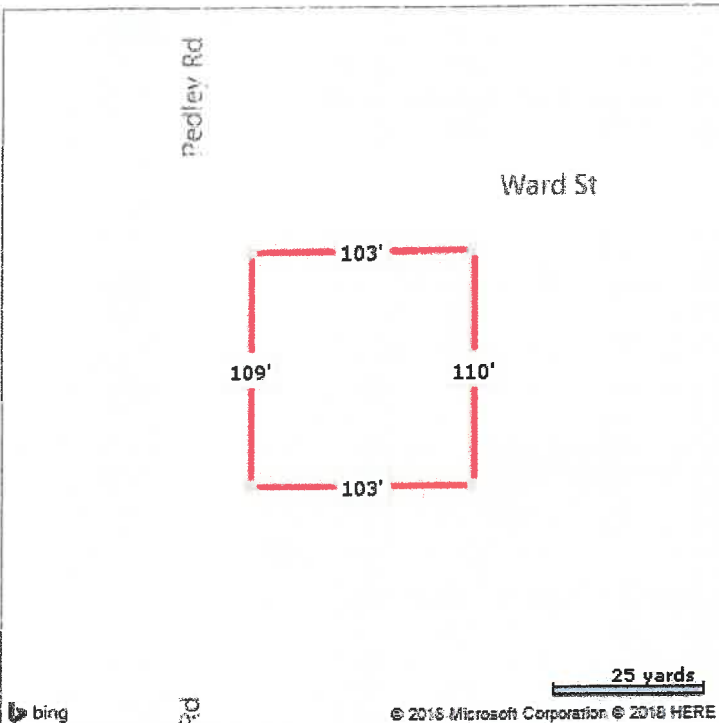
Page 1 of 2

Recording Date: **09/19/2017**
Sale Date: **09/07/2017**
Sale Price: **\$38,000**
Document Number: **386678**

Sale Type: **Full**
Deed Type: **Grant Deed**
Owner Name: **Ferrero Tina**
Seller: **Ramirez Josie J**

Recording Date	09/19/2017
Sale Date	09/07/2017
Sale Price	\$38,000
Buyer Name	Ferrero Tina
Seller Name	Ramirez Josie J
Document Number	386678
Document Type	Grant Deed

Property Map



*Lot Dimensions are Estimated

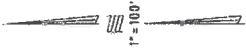
THIS MAP IS FOR THE PURPOSE
OF AD VALOREM TAXATION ONLY.

BILL POSTMUS, Assessor

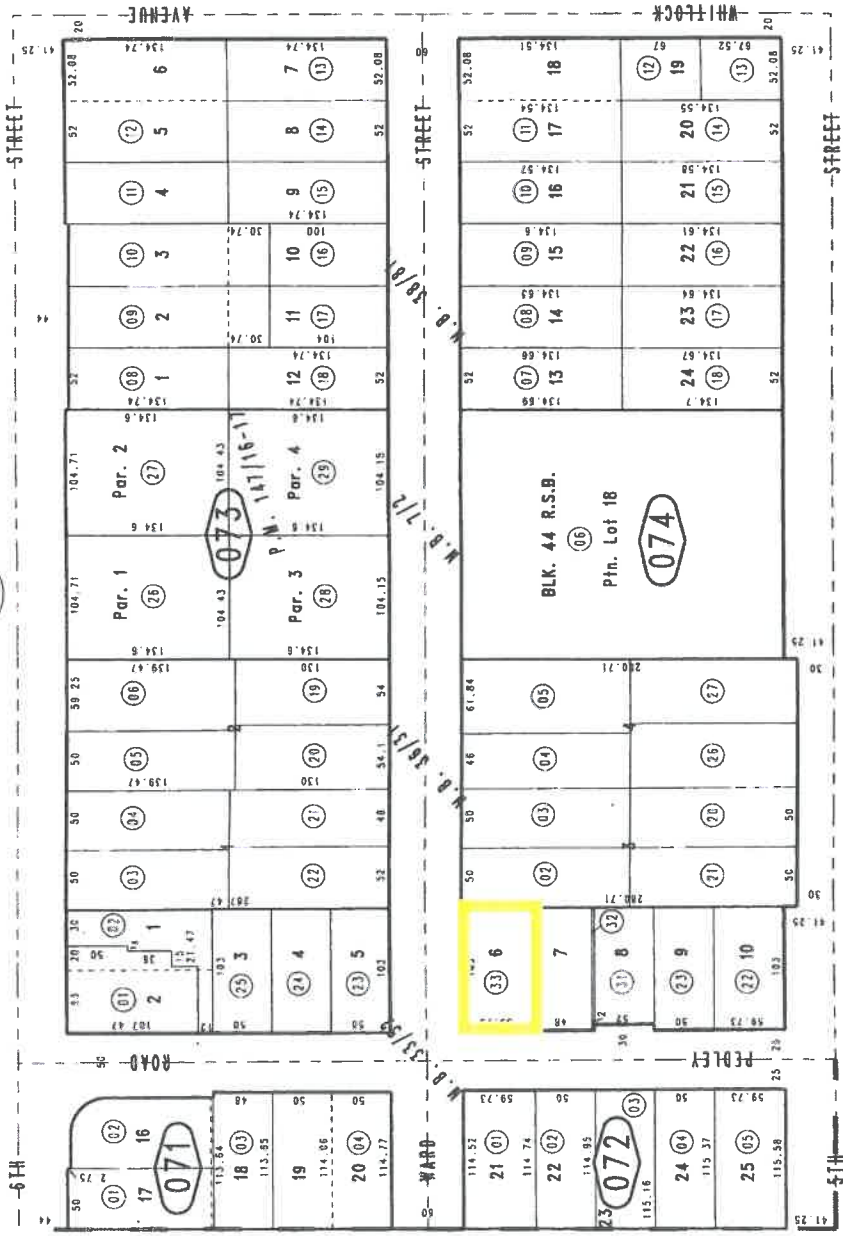


Ptn. Rancho San Bernardino
M.B. 7/2

San Bernardino Unified 0279-07
Tax Rate Area
107137



0278
19



08

10

JUL 08 2008

REVISED
01/25/07 CL
07/26/07 KC
06/02/08 KC
06/23/08 KA

Parcel Map No. '0695, P.M. 147/16-17
Ptn. College Gardens No. 3, Tract No. 2758, M.B. 38/81
Ptn. College Gardens No. 2, Tract No. 2522, M.B. 36/31
Ptn. College Gardens, Tract No. 2345, M.B. 33/52

Assessor's Map
Book 0279 Page 07
San Bernardino County

Ptn. S.E.1/4, Sec. 2
T.1S., R.4W.

December 2004

1256 Wall Ave., San Bernardino, CA 92404



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1256 Wall Ave., San Bernardino, CA 92404

Comparable Sale #2

- Property Profile
- Assessor's Parcel Map
- Aerial

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Redlands, CA 92373

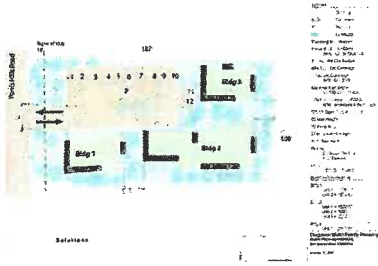
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6955 Perris Hill Rd, San Bernardino, CA 92404, San Bernardino County



N/A	N/A	20,000	\$85,000
Beds	Bldg Sq Ft	Lot Sq Ft	MLS Sale Price
N/A	N/A	VCNT LND-NE	06/30/2016
Baths	Yr Built	Type	MLS Sale Date

Owner Information

Owner Name:	A & L Alaska Inc	Tax Billing City & State:	San Bernardino, CA
Mail Owner Name:	A & L Alaska Inc	Tax Billing Zip:	92404
Tax Billing Address:	6955 Perris Hill Rd	Owner Occupied:	Yes

Location Information

Zip Code:	92404	Comm College District Code:	San Bernardino Vly J
Carrier Route:	C004	Census Tract:	63.02
Zoning:	RM	Topography:	Flat/Level
Tract Number:	1964	Neighborhood Code:	091-091
School District:	San Bernardino		

Tax Information

APN :	0273-103-04-0000	Block:	3
Tax Area:	107144	Water Tax Dist:	San Bernardino Vly J
Tax Appraisal Area:	12	Fire Dept Tax Dist:	San Bernardino Co
Lot:	12		
Legal Description:	TR NO 1964 BASE LINE GARDENS S 1/2 LOT 12 BLK 3 EX 1/2 MNL RTS		

Assessment & Tax

Assessment Year	2017	2016	2015
Assessed Value - Total	\$86,700	\$60,915	\$31,400
Assessed Value - Land	\$86,700	\$60,915	\$31,400
YOY Assessed Change (\$)	\$25,785	\$29,515	
YOY Assessed Change (%)	42.33%	94%	

Tax Year	Total Tax	Change (\$)	Change (%)
2015	\$416		
2016	\$779	\$363	87.26%
2017	\$1,120	\$341	43.79%

Special Assessment	Tax Amount
Sb Valley Muni Wtr Dbt Svc	\$132.21
School Bonds	\$87.30
San Bdno Comm College Bond	\$32.59
Co Ventor Control	\$1.30
Total Of Special Assessments	\$253.40

Characteristics

County Land Use:	Vacant Land	Lot Acres:	0.4591
Universal Land Use:	Vacant Land (NEC)	Lot Area:	20,000
Lot Frontage:	100	Water:	Public
Lot Depth:	200	Sewer:	Public Service

Listing Information

MLS Listing Number:	CV15249288	MLS Original List Price:	\$95,000
---------------------	------------	--------------------------	----------

Courtesy of LARA FERNANDEZ, KELLER WILLIAMS REALTY, California Regional MLS

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Property Detail

Generated on 04/07/2018

Page 1 of 3

MLS Status: **Closed**
 MLS Area: **274 - SAN BERNARDINO**
 MLS Status Change Date: **06/30/2016**
 MLS Current List Price: **\$95,000**

Closing Date: **06/30/2016**
 MLS Sale Price : **\$85,000**
 MLS Listing Agent: **C23430-Dionisio Vallejos**
 MLS Listing Broker: **REALTY EXECUTIVES EXPERTS**

Last Market Sale & Sales History

Recording Date: **06/28/2016** Sale Type: **Full**
 Sale Date: **Tax: 06/09/2016 MLS: 06/30/2016** Deed Type: **Grant Deed**
 Sale Price: **\$85,000** Owner Name: **A & L Alaska Inc**
 Document Number: **255184** Seller: **Appa Investments LLC**

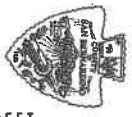
Recording Date	08/09/2017	06/28/2016	05/08/2015	12/19/2007	09/13/2006
Sale Date	08/08/2017	06/09/2016	04/30/2015	12/14/2007	08/31/2006
Sale Price		\$85,000	\$35,000		\$180,000
Nominal	Y				
Buyer Name	A & L Alaska Inc	Miramontes Samara	Appa Investments LLC	Gildner Family Trust	Chejoka Nart
Seller Name	Miramontes Samara	Appa Investments LLC	Gildner Family Trust	Chejoka Nart & Danial	Gildner Family Living Trust L
Document Number	323271	255184	191272	704284	626472
Document Type	Grant Deed	Grant Deed	Grant Deed	Quit Claim Deed	Grant Deed

Recording Date	11/14/2001	02/11/1991	02/11/1991
Sale Date	11/14/2001	01/1991	01/1991
Sale Price			\$62,000
Nominal	Y		
Buyer Name	Gildner Trust	Wsdc Inc	W S D C Inc
Seller Name	Wsdc Inc		Mccormick Brian
Document Number	520274	48621	48620
Document Type	Quit Claim Deed	Corporation Grant Deed	Deed (Reg)

Mortgage History

Mortgage Date	06/28/2016	09/13/2006
Mortgage Amount	\$42,500	\$170,000
Mortgage Lender	Private Individual	Private Individual
Mortgage Code	Private Party Lender	Private Party Lender

THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.

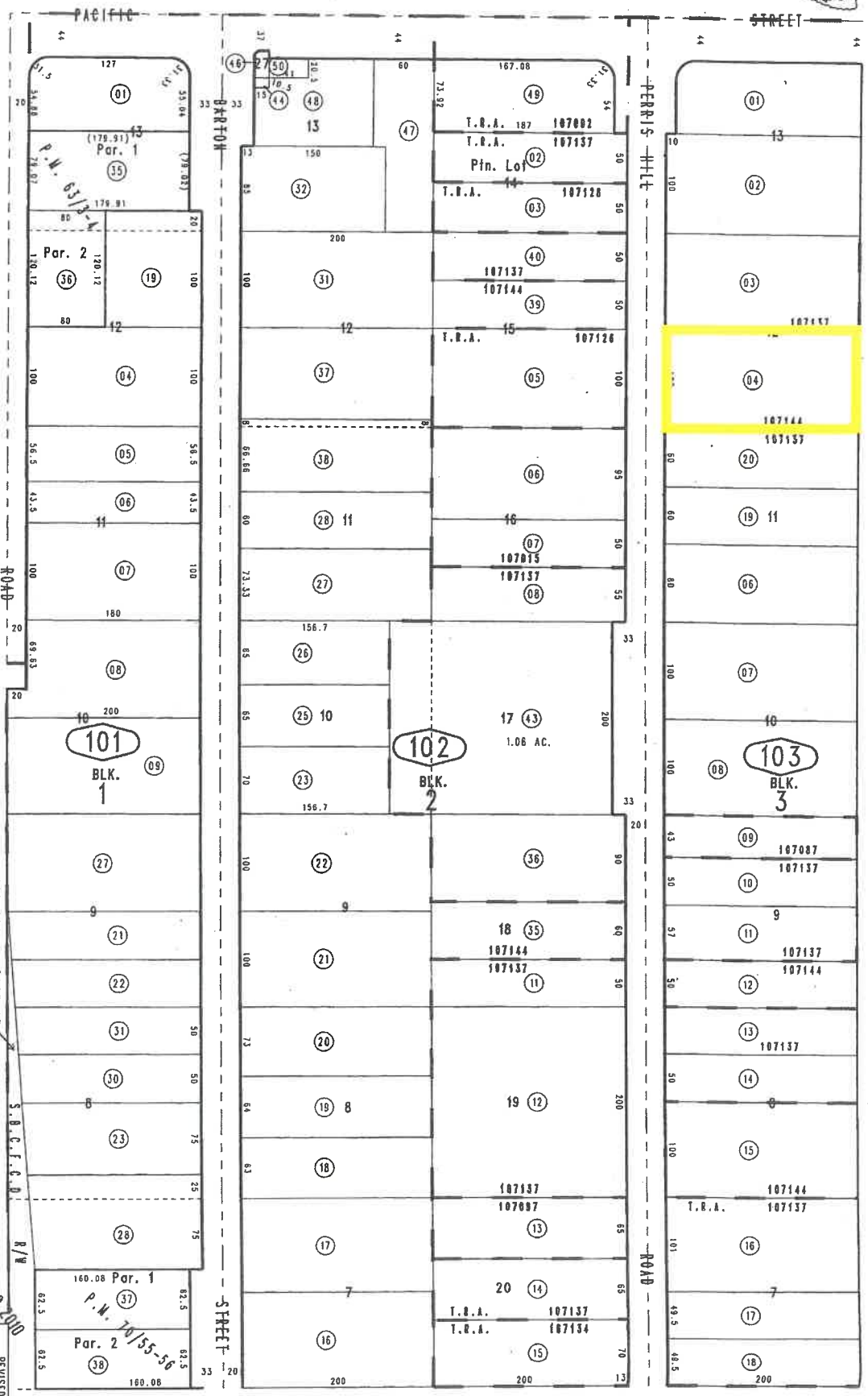


0147
16

Ptn. Base Line Gardens, Tract No. 1964, M.B. 28/46

San Bernardino Unified
Tax Rate Area 107087
107002, 107015, 107087, 107097, 107126
107128, 107134, 107137, 107144

0273-10



December 2004

Parcel Map No. 7141, P.M. 70/55-56
Parcel Map No. 6565, P.M. 63/3-4

Assessor's Map
Book 0273 Page 10
San Bernardino County

REVISED
04/09/09 RH
04/15/09 CB
10/15/09 KC
10/12/10 CL

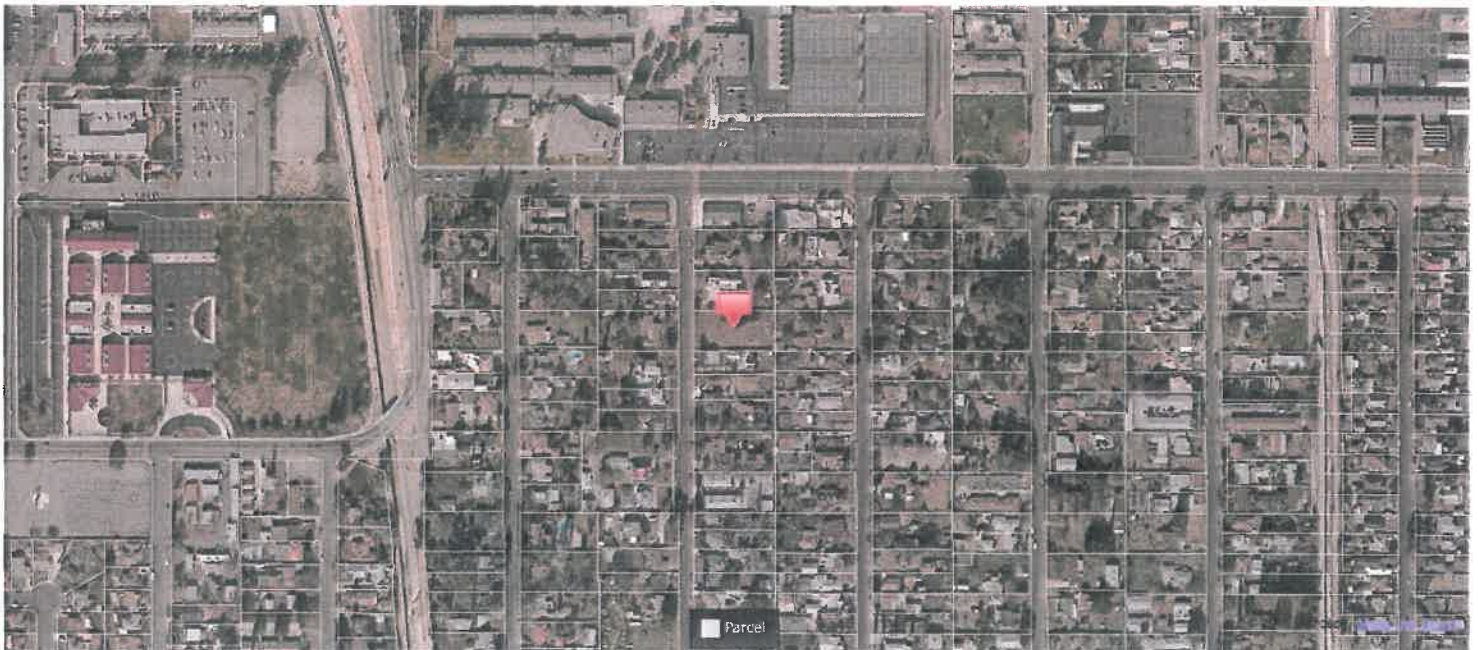
ASSESSED ON PAGE 17

NOV 10 2010

REVISED
04/09/09 RH
04/15/09 CB
10/15/09 KC
10/12/10 CL



1256 Wall Ave., San Bernardino, CA 92404



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1256 Wall Ave., San Bernardino, CA 92404



Comparable Sale #3

- Property Profile
- Assessor's Parcel Map
- Aerial

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W 9th St, San Bernardino, CA 92401, San Bernardino County



N/A	N/A	7,500	\$31,500
Beds	Bldg Sq Ft	Lot Sq Ft	MLS Sale Price
N/A	N/A	VCNT LND-NE	10/26/2016
Baths	Yr Built	Type	MLS Sale Date

Owner Information

Owner Name:	Perez Yesenia	Tax Billing City & State:	Los Angeles, CA
Mail Owner Name:	Yesenia Perez	Tax Billing Zip:	90044
Tax Billing Address:	1234 W Gage Ave	Tax Billing Zip+4:	2732

Location Information

Zip Code:	92401	Census Tract:	57.01
School District:	San Bernardino	Topography:	Flat/Level
Comm College District Code:	San Bernardino Vly J	Neighborhood Code:	092-092

Tax Information

APN :	0140-221-09-0000	Lot:	8
Tax Area:	7001	Block:	63
Tax Appraisal Area:	12	Water Tax Dist:	San Bernardino Vly J
Legal Description:	C1TY W 50 FT E 100 FT N 150 FT LOT 8 BLK 63		

Assessment & Tax

Assessment Year	2017	2016	2015
Assessed Value - Total	\$31,500	\$21,300	\$18,750
Assessed Value - Land	\$31,500	\$21,300	\$18,750
YOY Assessed Change (\$)	\$10,200	\$2,550	
YOY Assessed Change (%)	47.89%	13.6%	

Tax Year	Total Tax	Change (\$)	Change (%)
2015	\$249		
2016	\$422	\$173	69.43%
2017	\$561	\$139	32.96%

Special Assessment	Tax Amount
Sbcofire Fp-5 City Sbnndo	\$152.98
Sb Valley Muni Wtr Dbt Svc	\$48.03
School Bonds	\$31.72
San Bdno Comm College Bond	\$11.84
Co Ventor Control	\$1.30
Total Of Special Assessments	\$245.87

Characteristics

County Land Use:	Vacant Land	Lot Area:	7,500
Universal Land Use:	Vacant Land (NEC)	Water:	Public
Lot Acres:	0.1722	Sewer:	Public Service

Listing Information

MLS Listing Number:	IV16135032	MLS Original List Price:	\$35,000
MLS Status:	Closed	Closing Date:	10/26/2016
MLS Area:	274 - SAN BERNARDINO	MLS Sale Price :	\$31,500
MLS Status Change Date:	10/26/2016	MLS Listing Agent:	Ivbhatkav-Kavita Bhatia

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Property Detail

Generated on: 04/07/2018

Page 1 of 2

MLS Current List Price: **\$35,000**

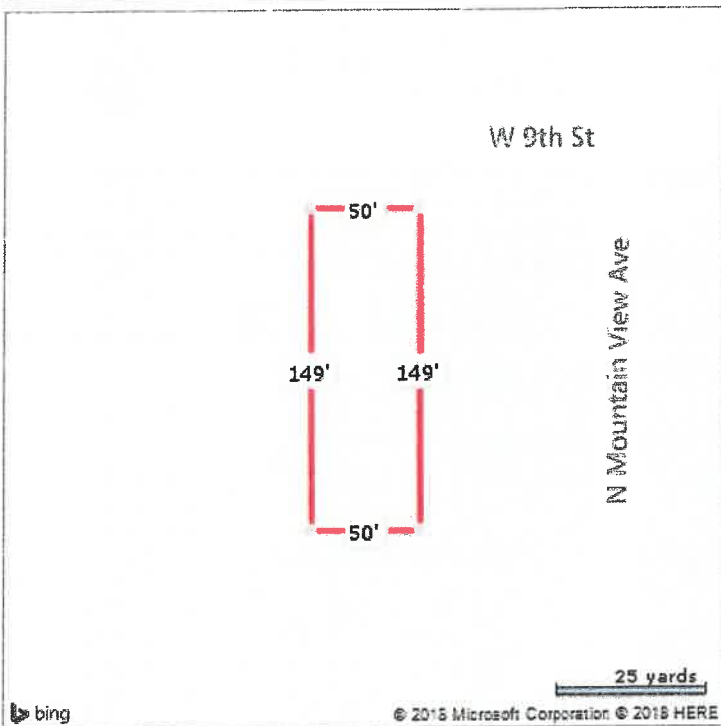
MLS Listing Broker:

Z REAL ESTATE

Last Market Sale & Sales History

Recording Date:	10/26/2016	Sale Type:	Full		
Sale Date:	Tax: 09/14/2016 MLS: 10/26/2016	Deed Type:	Grant Deed		
Sale Price:	\$31,500	Owner Name:	Perez Yesenia		
Document Number:	450574	Seller:	Hossain Fida		
Recording Date	10/26/2016	10/26/2016	10/26/2016	04/09/2004	10/18/1979
Sale Date	09/14/2016	10/18/2016	10/13/2016	03/03/2004	
Sale Price	\$31,500			\$26,091	\$14,000
Nominal		Y	Y		
Buyer Name	Perez Yesenia	Perel Yesenia	Hossain Fida	Hossain Fida	Raymundo Florentino L & Raymundo Remedios
Seller Name	Hossain Fida	Rodriguez-Gomez Cesar A	Hossain Shemul	Raymundo Florentino L & Remedios A	
Document Number	450574	450573	450572	246278	132
Document Type	Grant Deed	Interspousal Deed Transfer	Interspousal Deed Transfer	Grant Deed	Deed (Reg)

Property Map



*Lot Dimensions are Estimated

Courtesy of LARA FERNANDEZ, KELLER WILLIAMS REALTY, California Regional MLS

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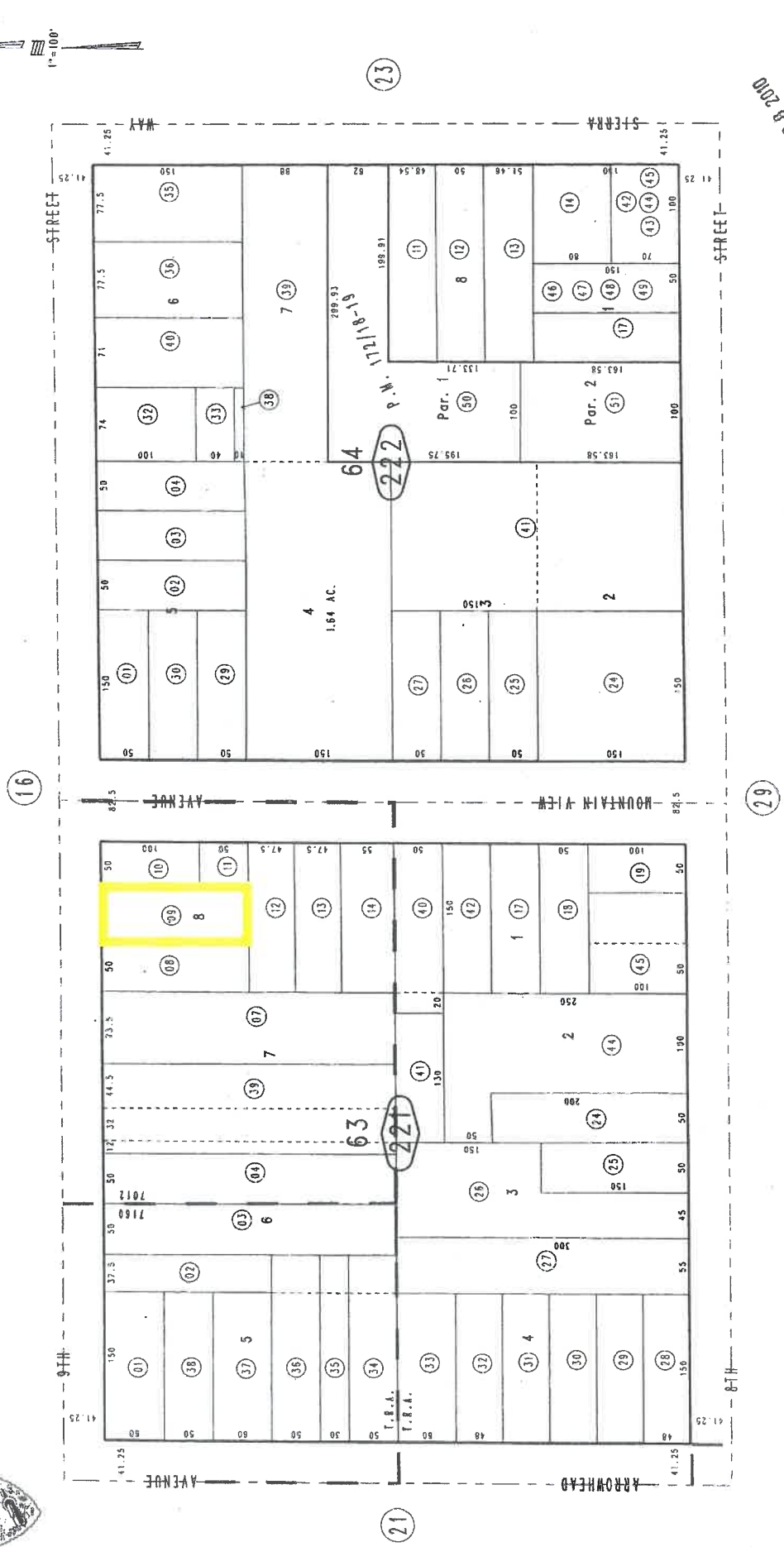
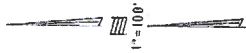
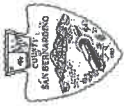
Property Detail

Generated on 04/07/2018

Ptn. City of San Bernardino
M.B. 7/1

City of San Bernardino 0140 - 22
Tax Rate Area
7012, 7160

THIS MAP IS FOR THE PURPOSE
OF AD VALOREM TAXATION ONLY.



REVISED
07/12/08 KA
12/23/08 LH

FEES 0 8 2000

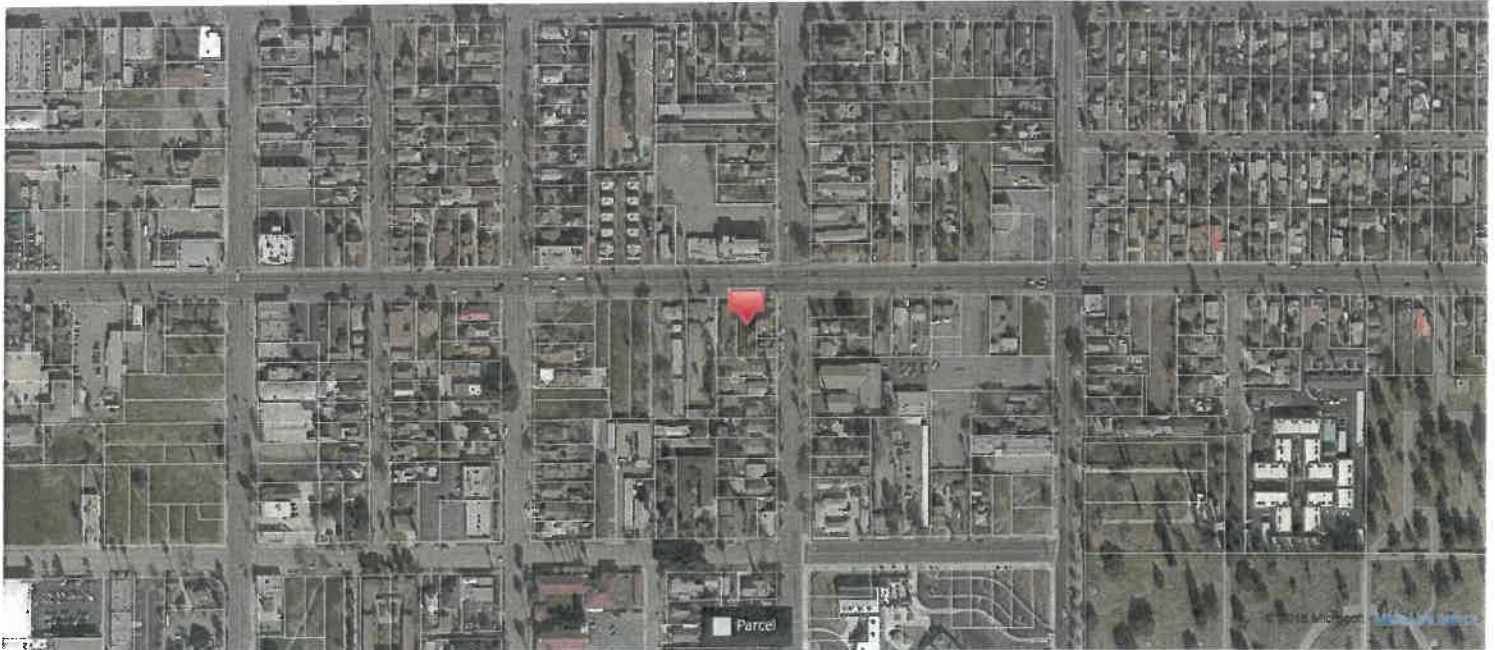
Assessor's Map
Book 0140 Page 22
San Bernardino County

Ptn. N.E. 1/4, Sec. 4
T.1S., R.4W.

Parcel Map No. 14345, P.M. 172/18-19

December 2004

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Commercial Real Estate Investment Advisor
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We obtained the information above from sources we believe to be reliable. However, we have not verified its accuracy and make no guarantee, warranty or representation about it. It is submitted subject to the possibility of errors, omissions, change of price, rental or other conditions, prior sale, lease or financing, or withdrawal without notice. We include projections, opinions, assumptions or estimates for example only, and they may not represent current or future performance of the property. You and your tax and legal advisors should conduct your own investigation of the property and transaction.

www.kwcommercial.com



1256 Wall Ave., San Bernardino, CA 92404
04/17/2017

Resume for Kenneth Patterson:

1975 to late 1979 Mess Management Specialist for USN (primary jobs: Staff Cook, Mess Manager, maintained food supplies and Buyers agent for ships food) I was E4 at time of discharge.

Licensed as a California Real Estate Agent in 1979

Licensed as a California Real Estate Broker in 1989

Licensed as a Security Dealer with the National Association of Security Dealers (FINRA) in 1995. (Series 7 and 63 license, State of California Fixed and Variable life license)

1993-1995 Manager of Neighborhood Mortgage Corp. in Costa Mesa, Ca. (4 offices in Southern Ca.) We did over \$80 million in Originating Residential and Commercial loans yearly.

1995 through 1997 Independent Security Dealer with American Express Financial Advisor.

Since 1998 through 2011 I managed Investment Retirement accounts for clients as an Independent Security Dealer and Small Group Health Benefits; through Lighthouse Capital Corporation out of Monterey, CA.

From 1979 through 1999 I primarily sold and developed land to and for developers as an independent agent/broker.

From 2000 to 2005 I incorporated residential sales into my sales activities because of demand by builders/developers I worked with. At which time I became an associate broker with Coldwell Banker Kivett-Teeters, I averaged 70 closed transactions per-year, until the recent down turn in the market.

Mid-year 2005 to August 2012; Coldwell Banker Commercial Kivett-Teeters became the newest Commercial franchise. I deal in Commercial Sales, Building Leases, Ground Leases, land Sales and development.

2003-2007 I have been awarded the International Presidents Circle from Coldwell Banker International, which places me in the top 5% of Sales Associates Internationally.

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August 2012 to Current I moved to Keller Williams Commercial as an Associate Broker in Redlands Ca. Doing the same business practices in the commercial arena, plus I now work with Asset Managers for Defaulted Notes and Real Estate, Probate and Bankruptcy Trustees. I'm also currently an Independent Financial Advisor for Colorado Financial Services.

Kenneth Patterson
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**Purchase and Sale Agreement and Joint Escrow Instructions
Between the
Successor Agency to the Redevelopment Agency of the City of San Bernardino
And
Leaping Frog Investments, LLC
(See Attachment)**

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**PURCHASE AND SALE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

SELLER: Successor Agency to the Redevelopment Agency of the
City of San Bernardino

BUYER: Leaping Frog Investments, LLC a California limited
liability company

DATED: June 6, 2018

(1256 Wall Avenue, San Bernardino, California, APN 0146-241-07)

BASIC TERMS

Buyer: Leaping Frog Investments, LLC, a California limited liability company

Buyer's Address: Eric Benden
P.O. Box 45
Rancho Cucamonga, CA 91729
Tel. 626.222-4803
Email: homevision888@gmail.com

John Clark
482 N. Rosemead Boulevard, #103
Pasadena, CA 91107
Tel. 626.797-9191
Email: john.clark@keyfinancial.com

City: The City of San Bernardino

Closing Contingency Date: September 14, 2018

Closing Date (or Closing) Estimated to occur by July 1, 2018, but not later than the Outside Date

Deed: A grant deed in the form of Exhibit B hereto

Effective Date: June 6, 2018

Escrow Holder: Commonwealth Land Title
A Fidelity National Financial Company
888 S. Figueroa Street, Suite 2100
Los Angeles, CA 90017
Tel: (213) 330-3059

Attention: Crystal Leyvas, Vice President, National Accounts
National Commercial Services
Direct: (213) 330-3059; email: Cleyvas@cltic.com
(or another escrow holder mutually acceptable to Buyer and Seller)

Independent
Consideration Amount: Two Hundred Dollars (\$200)

Outside Date: October 9, 2018; provided that such date may be extended by mutual writing agreement by Seller and Buyer

Purchase Price: Fifty-Four Thousand Dollars (\$54,000)

Real Property: That property described in Exhibit A hereto; the subject property is sometimes referred to as APN 0146-241-07

Seller: Successor Agency to the Redevelopment Agency of the City of San Bernardino

Seller's Address: 290 N. "D" Street – Third Floor
San Bernardino, California 92418
Attention: Andrea M. Miller, City Manager
Tel. (909) 384-5122
Fax: (909) 384-5138
Email: Miller_An@sbcity.org

Soil and Title Contingency
Date: August 14, 2018

Title Company: Commonwealth Land Title
A Fidelity National Financial Company
888 S. Figueroa Street, Suite 2100
Los Angeles, CA 90017
Tel: (213) 330-3059

Attention: Crystal Leyvas, Vice President, National Accounts
National Commercial Services
Direct: (213) 330-3059; email: Cleyvas@cltic.com
(or another title company mutually acceptable to Buyer and Seller)

**PURCHASE AND SALE AGREEMENT
AND
JOINT ESCROW INSTRUCTIONS**

This **PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS** (“Agreement”) is made and entered into as of _____, 2018 (the “Effective Date”) by and between Seller and Buyer.

RECITALS

A. Seller is the fee owner of the Real Property. The Real Property is approximately 0.17 acres of vacant parcel.

B. Seller has offered to sell to Buyer the Real Property described herein for the price and subject to the terms set forth below. Buyer has considered the offer by Seller and agrees to buy from Seller the Real Property, as more specifically described below.

C. In addition to the Purchase Price, material considerations to Seller in agreeing to enter into this Agreement, Buyer has agreed to pay to Seller the Independent Consideration Amount;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. Purchase and Sale. Seller hereby agrees to sell the Real Property to Buyer, and Buyer hereby agrees to purchase the Real Property from Seller, on the terms and conditions set forth in this Agreement. The term Real Property is defined collectively as the following:

(a) The fee interest in the Real Property to be conveyed by a grant deed in the form of the Deed; and

(b) All personal property, equipment, supplies, and fixtures owned by Seller and located at the Real Property.

2. Payment of Consideration. As consideration for the sale of the Real Property from Seller to Buyer, Buyer shall, at the Closing (as defined below), pay to Seller the Purchase Price for the Real Property. Upon payment of the Purchase Price (less any adjustments made to clear liens and to defray Seller’s costs of sale including, but not limited to, the preparation of legal documents and validation of the purchase price incurred by the City of San Bernardino and the Seller’s share of closing costs), the use of sales proceeds by Seller is a matter with which Buyer is not concerned.

3. Escrow and Independent Consideration.

(a) Opening of Escrow. For the purposes of this Agreement, the escrow (“Escrow”) shall be deemed opened (“Opening of Escrow”) on the date that Escrow Holder receives a copy of this Agreement fully executed by Buyer and Seller. Buyer and Seller shall use their best efforts to cause the Opening of Escrow to occur on or before five (5) business days after the Effective Date. Escrow Holder shall promptly notify Buyer and Seller in writing of the date of the Opening of Escrow. Buyer and Seller agree to execute, deliver and be bound by any reasonable or customary

supplemental escrow instructions or other instruments reasonably required by Escrow Holder to consummate the transaction contemplated by this Agreement; provided, however, that no such instruments shall be inconsistent or in conflict with, amend or supersede any portion of this Agreement. If there is any conflict or inconsistency between the terms of such instruments and the terms of this Agreement, then the terms of this Agreement shall control. Without limiting the generality of the foregoing, no such instruments shall extinguish any obligations imposed by this Agreement or any other agreement between Seller and Buyer.

(b) Independent Consideration. Within two (2) days after the Effective Date, Buyer shall pay to Seller the Independent Consideration Amount to be retained by Seller as non-refundable independent consideration. The Independent Consideration Amount has been bargained for and agreed to as consideration for Seller's execution and delivery of this Agreement and Seller holding the Real Property off the market for a period commencing as of the Effective Date and continuing until the Outside Date and for the rights and privileges granted to Buyer herein, including any and all rights granted to Buyer to terminate this Agreement under the circumstances provided for herein. Notwithstanding anything to the contrary contained in this Agreement, the Independent Consideration Amount shall be non-refundable in all events, except for (i) Seller's default hereunder, (ii) the failure of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San Bernardino (the "Oversight Board") to approve the sale of the Real Property as provided under this Agreement, and (iii) actions by the California Department of Finance ("DOF") which prevent the disposition of the Real Property to Buyer as provided under this Agreement. If the Closing occurs, a credit shall be applied to the Purchase Price based upon payment of the Independent Consideration Amount.

(c) Closing. For purposes of this Agreement, the "Closing" or "Closing Date" shall be the date the Deed (as defined below) is recorded pursuant to applicable law in the county in which the Real Property is located. Unless changed in writing by Buyer and Seller, the Closing shall occur on the Closing Date, or as soon thereafter as the conditions precedent to closing are satisfied pursuant to Sections 6 and 7 of this Agreement. If the Closing has not, for any reason, occurred by the Closing Date, then either Buyer or Seller may terminate this Agreement by delivering written notice to the other at any time after the outside Closing Date; provided, however, that if either party is in default under this Agreement at the time of such termination, then such termination shall not affect the rights and remedies of the non-defaulting party against the defaulting party.

4. Seller's Delivery of Real Property and Formation Documents. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer the following items (collectively, the "Property Documents"):

(a) Such proof of Sellers' authority and authorization to enter into this Agreement and to consummate this transaction as may be reasonably requested by Buyer and the Title Company consistent with the terms of this Agreement, including without limitation approval of the Oversight Board of the sale of the Real Property by Seller to Buyer.

In addition, Seller shall cause Escrow Holder to obtain and deliver to Buyer a Natural Hazard Report as provided for under Sections 1102 and 1103 of the California Civil Code (the "Natural Hazard Report") on or before the Soil and Title Contingency Date.

5. Buyer's Right of Entry. From and after the Opening of Escrow through the earlier to occur of the termination of this Agreement or the Soil and Title Contingency Date, or as otherwise

agreed in writing by Seller prior to entry is effected, Buyer and Buyer's employees, agents, consultants and contractors shall have the right to enter upon the Real Property during normal business hours, provided reasonable prior notice has been given to Seller.

(a) Investigation of the Real Property. In addition to the foregoing, the Buyer shall have the right, at its sole cost and expense, prior to the Soil and Title Contingency Date, to engage its own environmental consultant (the "Environmental Consultant") to make such investigations as Buyer deems necessary or appropriate, including any "Phase 1" or "Phase 2" investigations of the Real Property. If, based upon such evaluation, inspections, tests or investigation, Buyer determines that it, in its discretion, does not wish to proceed with purchase of the Real Property based upon the condition of the Real Property, Buyer may cancel this Agreement by giving written notice of termination to Seller on or before the Soil and Title Contingency Date which specifically references this Section 5. If Buyer does not cancel this Agreement by the time allowed under this Section 5, Buyer shall be deemed to have approved the evaluation, inspections and tests as provided herein and to have elected to proceed with this transaction on the terms and conditions of this Agreement. Buyer shall provide a copy to the Seller of all reports and test results provided by Buyer's Environmental Consultant promptly after receipt by the Buyer of any such reports and test results without any representation or warranty as to their accuracy or completeness.

Buyer shall bear all costs, if any, associated with restoring the Real Property to substantially the same condition prior to its testing by or on behalf of Buyer if requested to so do by Seller but excluding any latent defects or Hazardous Materials (as defined below) discovered by Buyer during its investigation of the Real Property. Buyer agrees to indemnify, protect, defend (with counsel satisfactory to Seller) and hold Seller and the Real Property free and harmless from and against all costs, claims, losses, liabilities, damages, judgments, actions, demands, attorneys' fees or mechanic's liens arising out of or resulting from any entry or activities on the Real Property by Buyer, Buyer's agents, contractors or subcontractors and the contractors and subcontractors of such agents, but in no event shall the indemnity of this Section include the discovery of pre-existing conditions by Buyer or any such liabilities, costs, etc. arising from the negligence or willful misconduct of Seller and/or its consultants. The indemnity obligations of Buyer set forth in this Section 5(a) shall survive any termination of this Agreement or the Close of Escrow.

"Hazardous Materials" means any substance, material, or waste which is or becomes regulated by any local governmental authority, the County, the State of California, regional governmental authority, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) friable asbestos, (vii) polychlorinated biphenyls, (viii) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ix) designated as "hazardous substances" pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C.

§6903) or (xi) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601 et seq.

(b) No Warranties as to the Real Property. The physical condition and possession of the Real Property, is and shall be delivered from Seller to Buyer in an “as is” condition, with no warranty expressed or implied by Seller, including without limitation, the presence of Hazardous Materials or the condition of the soil, its geology, the presence of known or unknown seismic faults, or the suitability of the Real Property for development purposes. In addition, Seller makes no representations, warranties or assurances concerning the Real Property, its suitability for any particular use or with regard to the approval process for entitlements as to the Real Property.

(c) Buyer Precautions after Closing. Upon and after the Closing, Buyer shall take all necessary precautions to prevent the release into the environment of any Hazardous Materials which are located in, on or under the Real Property. Such precautions shall include compliance with all laws, ordinances, statutes, codes, rules, regulations, orders, and decrees of the United States, the state, the County, the City, or any other political subdivision in which the Real Property is located, and of any other political subdivision, agency, or instrumentality exercising jurisdiction over the Real Property (“Governmental Requirements”) with respect to Hazardous Materials.

6. Buyer’s Conditions Precedent and Termination Right.

(a) Conditions Precedent. The Closing and Buyer’s obligation to consummate the purchase of the Real Property under this Agreement are subject to the timely satisfaction or written waiver of the following conditions precedent (collectively, “Buyer’s Contingencies”), which are for Buyer’s benefit only.

(i) Title Review. Within twenty (20) calendar days after the Opening of Escrow, Seller shall cause the Title Company to deliver to Buyer a preliminary title report (the “Report”) describing the title to the Real Property, together with copies of the plotted easements and the exceptions (the “Exceptions”) set forth in the Report; provided that the cost of the Report shall be borne by Seller. Seller acknowledges that the Buyer’s Title Policy shall include an endorsement against the effect of any mechanics’ liens; Seller will provide such indemnity or other assurances as necessary to induce the Title Company to provide such endorsement. On or before the Soil and Title Contingency Date, Buyer shall have approved in writing, in Buyer’s sole discretion, any matters of title disclosed by the following (collectively, the “Title Documents”): (i) the Report; (ii) the Exceptions; (iii) the legal description of the Real Property and (iv) any survey Buyer desires to obtain at Buyer’s sole cost and expense. Buyer shall have the same rights to approve or disapprove any exceptions to title that are not created by Buyer and that come into existence after issuance of the Report but prior to Closing. Seller shall, on or before the Closing, remove all deeds of trust, mortgages, and delinquent taxes (but not the lien for any real property taxes or assessments not yet delinquent).

(ii) Buyer’s Title Policy. On or before the Closing, the Title Company shall, upon payment (by Buyer) of the Title Company’s premium, have agreed to issue to Buyer, a standard ALTA owner’s policy of title insurance insuring only as to matters of record title (“Standard Buyer’s Title Policy”) in the amount of the Purchase Price showing fee title to the Real Property vested solely in Buyer and subject only to the (i) the standard, preprinted exceptions to Buyer’s Title Policy; (ii) liens to secure payment of real estate taxes or assessments not yet delinquent; (iii) matters affecting the Real Property created by or with the written consent of Buyer; and (iv) those matters

specifically approved in writing by Buyer. Buyer shall have the right, at its sole cost and expense, to obtain coverage beyond that offered by a Standard Buyer's Title Policy (such as an owner's extended coverage ALTA policy); provided, however, that Buyer's ability to obtain such extended coverage shall not be a Buyer's Contingency and Buyer's obligations hereunder shall in no way be conditioned or contingent upon obtaining such extended coverage. Buyer shall have sole responsibility for obtaining, and bearing the cost of, any endorsements and for any survey or other matters required by the Title Company for such extended coverage.

In the event Buyer enters into a loan agreement to generate moneys to purchase the Real Property from Seller under this Agreement, Buyer and not Seller shall be responsible for the title insurance, closing costs and any other costs, fees or expenses in relation to Buyer obtaining such loaned moneys. The sale shall be all cash to Seller.

(iii) Physical and Legal Inspections and Studies. On or before Soil and Title the Contingency Date, Buyer shall have approved in writing, in Buyer's sole and absolute discretion, the results of any physical and legal (but not feasibility or economic) inspections, investigations, tests and studies. Buyer elects to make or obtain, including, but not limited to, investigations with regard to zoning, building codes and other governmental regulations; engineering tests; soils, seismic and geologic reports; environmental audits, inspections and studies; environmental investigation or other invasive or subsurface testing; and any other physical or legal inspections and/or investigations as Buyer may elect to make or obtain.

(iv) Natural Hazard Report. Seller shall cause the Escrow Holder to provide to Buyer prior to the Soil and Title Contingency Date the Natural Hazard Report described at Section 8(a)(iii) of this Agreement; provided that Seller shall bear the cost to prepare such Natural Hazard Report.

(v) Property and Formation Documents. On or before the Soil and Title Contingency Date, Buyer shall have approved in writing, in Buyer's reasonable discretion, the terms, conditions and status of all of the Property Documents.

(vi) Delivery of Documents. Seller's delivery of all documents described in Section 8, below.

(vii) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be materially true and correct as of the date made and as of the Closing.

(viii) Title Company Confirmation. The Title Company shall have confirmed that it is prepared to issue the Buyer's Title Policy consistent with the provisions of this Agreement.

(ix) Oversight Board and DOF Approval. The Oversight Board and, if required as a condition of the issuance of title insurance or by either party hereto, approval by DOF, shall have been given as to the disposition of the Real Property by Seller to Buyer under this Agreement.

(x) No Default. As of the Closing, Seller shall not be in default in the performance of any material covenant or agreement to be performed by Seller under this Agreement.

(b) Termination Right. Each of (i), (ii) and (iii) shall operate independently and each shall entitle Seller to terminate this Agreement, as follows:

(i) If the Independent Consideration Amount is not paid by Buyer to Seller by the time set forth therefor in Section 3(b)(i) of this Agreement, then this Agreement shall terminate upon Seller giving notice thereof to Buyer;

(ii) If any of Buyer's Contingencies are not met by the Closing Contingency Date, and Seller so informs Buyer, Buyer may, by written notice to Seller, terminate this Agreement.

If this Agreement is so terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer, unless Seller is in default hereunder, in which case Seller shall pay all such fees. If the Agreement has not been terminated pursuant to (i) or (ii) of this Section 6(b) and Buyer has not terminated this Agreement in writing ("Termination Notice") on or before 5:00 p.m. on the Monday preceding the scheduled Closing ("Termination Notice Deadline"), then all such Buyer's Contingencies shall be deemed to have been satisfied and this Agreement shall continue pursuant to its terms. If Buyer has not delivered a Termination Notice as the items set forth in Sections 6(a)(i)-(xi) inclusive, prior to the Termination Notice Deadline, such Buyer's Contingencies shall be deemed to have been satisfied.

If this Agreement is terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer, unless Seller is in default hereunder, in which case Seller shall pay all such fees.

(c) Seller's Cure Right. Buyer shall notify Seller, in Buyer's Termination Notice, of Buyer's disapproval or conditional approval of any Title Documents. Seller shall then have the right, but not the obligation, to (i) remove from title any disapproved or conditionally approved Exception(s) (or cure such other title matters that are the basis of Buyer's disapproval or conditional approval of the Title Documents) within five (5) business days after Seller's receipt of Buyer's Termination Notice, or (ii) provide assurances reasonably satisfactory to Buyer that such Exception(s) will be removed (or other matters cured) on or before the Closing. With respect to any such Exception, it shall be sufficient for purposes hereof for Seller to commit in writing, within the applicable period, to remove such Exception at or before the Closing. Seller's failure to remove such Exception after committing to do so shall be a default hereunder. An Exception shall be deemed removed or cured if Seller furnishes Buyer with evidence that the Title Company will issue the Buyer's Title Policy, as defined herein, at the Closing deleting such Exception or providing an endorsement (at Seller's expense) reasonably satisfactory to Buyer concerning such Exception. If Seller cannot or does not remove or agree to remove any of the disapproved Exception(s) (or cure other matters) within such five (5) business day period, Buyer shall have three (3) business days after the expiration of such five (5) business day period to give Seller written notice that Buyer elects to proceed with the purchase of the Real Property subject to the disapproved Title Document(s), it being understood that Buyer shall have no further recourse against Seller for such disapproved Title Exception(s).

7. Seller's Conditions Precedent and Termination Right. The Closing and Seller's obligations with respect to the transaction contemplated by this Agreement are subject to the timely satisfaction or written waiver of the following condition precedent ("Seller's Contingencies"), which are for Seller's benefit only:

(a) Completion of Title Review. Seller shall have received written confirmation from Buyer on or before the Soil and Title Contingency Date that Buyer has completed its review of title and that the condition of title satisfactory.

(b) Confirmation Concerning Site. Seller shall have received written confirmation from Buyer on or before the Soil and Title Contingency Date that Buyer has reviewed the condition of the Real Property, including without limitation concerning Hazardous Materials, zoning and suitability, and approves the condition of the Real Property.

(c) Confirmation Regarding Buyer's Title Policy. Seller shall have received written confirmation from Buyer on or before the Soil and Title Contingency Date that Buyer has approved a pro forma title policy.

(d) Liens. Seller shall have obtained the consent of any lien holder to the release of such liens prior to or concurrent with closing.

(e) Oversight Board and DOF Approval. The approval by the Oversight Board and DOF shall have been given as to the disposition of the Real Property by Seller to Buyer under this Agreement.

(f) Delivery of Documents. Buyer's delivery of all documents described in Section 9(a), below.

Should any of Buyer's Contingencies not be met by the respective times set forth for the satisfaction for such contingency (and without regard to whether all such contingencies have been removed or satisfied) and Buyer has so informed Seller, Seller may, by written notice to Buyer, terminate this Agreement; such termination rights shall be in addition to those termination rights of Seller as set forth in Section 6. If this Agreement is so terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer.

8. Seller's Deliveries to Escrow Holder.

(a) Seller's Delivered Documents. At least one (1) business day prior to the Closing Date, Seller shall deposit or cause to be deposited with Escrow Holder the following items, duly executed and, where appropriate, acknowledged ("Seller's Delivered Items"):

(i) Deed. The Deed.

(ii) FIRPTA/Tax Exemption Forms. The Transferor's Certification of Non-Foreign Status in the form attached hereto as Exhibit C (the "FIRPTA Certificate"), together with any necessary tax withholding forms, and a duly executed California Form 593-C, as applicable (the "California Exemption Certificate").

(iii) Hazard Disclosure Report. Unless earlier delivered to Buyer, Seller shall cause Escrow Holder to obtain and deliver to Buyer, at Seller's cost, a Natural Hazard Report as provided for under Sections 1102 and 1103 of the California Civil Code (the "Natural Hazard Report") before the Closing.

(iv) Possession of Real Property. Possession of the Real Property free of any tenancies or occupancy.

(v) Authority. Such evidence of Seller's authority and authorization to enter into this Agreement and to consummate this transaction as may be reasonably requested by Buyer and the Title Company which are consistent with the terms of this Agreement.

(vi) Further Documents or Items. Any other documents or items reasonably required to close the transaction contemplated by this Agreement as determined by the Title Company which are consistent with the terms of this Agreement.

(b) Failure to Deliver. Should any of Seller's Delivered Items not be timely delivered to Escrow, Buyer may, by written notice to Seller, terminate this Agreement; provided, however, that Buyer may (but shall not be obligated to) in such notice provide Seller with five (5) business days to deliver all of Seller's Delivered Items. If Buyer's notice provides Seller such five (5) business days to deliver Seller's Delivered Items, and if Seller's Delivered Items are not delivered within such period, then this Agreement shall automatically terminate without further action or notice. In the event of any such termination, any cash deposited by Buyer shall immediately be returned to Buyer. Under no circumstances shall Buyer have any responsibility to or duty to pay consultants or real estate brokers retained by Seller, Seller being solely responsible in connection with any such contractual arrangements of Seller.

9. Buyer's Deliveries to Escrow. At least one (1) business day prior to the Closing Date, Buyer shall deposit or cause to be deposited with Escrow Holder the following, each duly executed and acknowledged, by Buyer as appropriate ("Buyer's Delivered Items"):

(a) Purchase Price. The Purchase Price, less amounts which Seller confirms in writing to Escrow Holder were theretofore paid to Seller as the Independent Consideration Amount, together with additional funds as are necessary to pay Buyer's closing costs set forth in Section 10(b) herein. In the event Seller does not qualify for an exemption from California withholding tax under Section 18662 of the California Revenue and Taxation Code, as evidenced by the delivery at Closing of the California Exemption Certificate duly executed by Seller, Title Company shall withhold three and one-third percent (3-1/3%) of the Purchase Price on behalf of Buyer for payment to the California Franchise Tax Board in accordance with Section 11(b) hereof. In the event Seller is not exempt from such withholding or does not otherwise deliver the California Exemption Certificate at Closing, Buyer shall execute and deliver three (3) originals of California Form 593 to Title Company at or immediately after Closing.

(b) Change of Ownership Report. One (1) original Preliminary Change of Ownership Report.

(c) Final Escrow Instructions. Buyer's final written escrow instructions to close escrow in accordance with the terms of this Agreement.

(d) Authority. Such proof of Buyer's authority and authorization to enter into this Agreement and to consummate the transaction contemplated hereby as may be reasonably requested by Seller or the Title Company.

(e) Moneys for Buyer's Real Estate Broker. Buyer shall deposit any moneys due and payable to Buyer's Real Estate Broker in connection with the sale of the Real Property.

(f) Further Documents or Items. Any other documents or items reasonably required to close the transaction contemplated by this Agreement as determined by the Title Company.

10. Costs and Expenses.

(a) Seller's Costs. If the transaction contemplated by this Agreement is consummated, then Seller shall be debited for and bear the following costs: (i) costs and charges associated with the removal of encumbrances; (ii) Seller's share of prorations; (iii) the premium for a Standard Buyer's Title Policy with coverage in the amount of the Purchase Price; (iv) documentary recording fees, if any; (v) documentary transfer tax, if any; (vi) the Seller's Real Estate Broker's Commission of Five Thousand Four Hundred Dollars (\$5,400) which the parties acknowledge and agree that at Close of Escrow, Seller shall pay Seller's Real Estate Broker's Commission for sale of the Property in accordance with Seller's listing agreement with Seller's Real Estate Broker and that the broker's commission shall be divided equally between Buyer's Real Estate Broker and Seller's Real Estate Broker; (vii) one half of the escrow charges; and (viii) costs, if any, allocable to Seller under this Agreement and costs for such services as Seller may additionally request that Escrow perform on its behalf (which foregoing items collectively constitute "Seller's Costs and Debited Amounts").

(b) Buyer's Costs. If the transaction contemplated by this Agreement is consummated, then Buyer shall bear the following costs and expenses: (i) the Escrow Holder's fee; (ii) Buyer's share of prorations, (iii) the premium for title insurance other than or in excess of a Standard Buyer's Title Policy based on the Purchase Price, and, if applicable, the cost for any survey required in connection with the delivery of an ALTA owner's extended coverage policy of title insurance; (iv) one half of escrow charges; (v) recording and other costs of closing; (vi) costs, if any, for such services as Buyer may additionally request that Escrow perform on its behalf; and (vii) any costs associated with Buyer borrowing money in order to pay to Seller the Purchase Price (collectively, "Buyer's Costs and Debited Amounts").

(c) Generally. Each party shall bear the costs of its own attorneys, consultants, and real estate brokers, other than broker's commission, in connection with the negotiation and preparation of this Agreement and the consummation of the transaction contemplated hereby. The parties acknowledge and agree that at Close of Escrow, Seller shall pay Seller's Real Estate Broker's Commission for sale of the Property in accordance with Seller's listing agreement with Seller's Real Estate Broker and that the broker's commission shall be divided equally between Buyer's Real Estate Broker and Seller's Real Estate Broker.

11. Prorations; Withholding.

(a) All revenues (if any) and expenses relating to the Real Property (including, but not limited to, property taxes, utility costs and expenses, water charges and sewer rents and refuse collection charges) shall be prorated as of the Closing Date; provided that all delinquent taxes shall be satisfied at the expense of Seller. Not less than five (5) business days prior to the Closing, Seller shall deliver to Buyer a tentative schedule of prorations for Buyer's approval (the "Proration and Expense Schedule"). If any prorations made under this Section shall require final adjustment after the Closing, then the parties shall make the appropriate adjustments promptly when accurate

information becomes available and either party hereto shall be entitled to an adjustment to correct the same. Any corrected or adjustment proration shall be paid promptly in cash to the party entitled thereto.

(b) In the event Seller does not qualify for an exemption from California withholding tax under Section 18662 of the California Revenue and Taxation Code (the "Tax Code") as evidenced by the delivery to Buyer at Closing of the California Exemption Certificate duly executed by Seller, (i) Title Company shall withhold three and one-third percent (3-1/3%) of the Purchase Price on behalf of Buyer at Closing for payment to the California Franchise Tax Board in accordance with the Tax Code, (ii) Buyer shall deliver three (3) duly executed copies of California Form 593 to Title Company at or immediately after Closing, (iii) two (2) copies of California Form 593 shall be delivered by Title Company to Seller, and (iv) on or before the 20th day of the month following the month title to the Real Property is transferred to Buyer (as evidenced by the recording of the Grant Deed), Title Company shall remit such funds withheld from the Purchase Price, together with one (1) copy of California Form 593 to the California Franchise Tax Board on behalf of Buyer. Buyer and Seller hereby appoint Title Company as a reporting entity under the Tax Code, authorized to withhold and remit the withholding tax contemplated under the Tax Code, together with such other documents required by the Tax Code (including, without limitation, California Form 593), to the California Franchise Tax Board.

12. Closing Procedure. When the Title Company is unconditionally prepared (subject to payment of the premium therefor) to issue the Buyer's Title Policy, and all required documents and funds have been deposited with Escrow Holder, Escrow Holder shall immediately close Escrow in the manner and order provided below.

(a) Recording. Escrow Holder shall cause the Deed to be recorded pursuant to applicable law in the county in which the Real Property is located and obtain conformed copies thereof for distribution to Buyer and Seller.

(b) Disburse Funds. Escrow Holder shall debit or credit (as provided herein) all Buyer's Costs and Debited Amounts, Seller's Costs and Debited Amounts and General Expenses, prorate matters and withhold funds as provided herein. The Purchase Price, less any applicable debits or credits (including any liens as to which such liens and the amount to satisfy such liens shall have been confirmed in writing by Seller to Escrow Holder) shall be distributed by check payable to Seller unless Escrow Holder is instructed otherwise in writing signed by Seller (and, in such event, in accordance with such instructions). Seller authorizes Escrow Holder to request demands for payment and to make such payments from the Purchase Price (or such other funds, if any, as are advanced by Seller) to defray the cost of removing deeds of trust, liens and other encumbrances (but not for obligations of Buyer). Escrow Holder shall disburse on behalf of Buyer such moneys as are deposited by Buyer (in addition to the Purchase Price and Buyer's share of closing costs) as the commission for Buyer's Real Estate Broker (unless Buyer's Real Estate Broker shall deliver a written statement to Escrow Holder which indicates that Buyer has arranged to pay Buyer's Real Estate Broker outside escrow and that payment of such remuneration is a matter with respect to which Escrow Holder and Seller need not be concerned).

(c) Documents to Seller. Escrow Holder shall deliver to Seller a conformed copy of the Deed, and documents, if any, recorded on behalf of any lender, as duly recorded among the official land records of the County of San Bernardino, and a copy of each other document (or copies thereof) deposited into Escrow by Buyer pursuant hereto.

(d) Documents to Buyer. Escrow Holder shall deliver to Buyer the original FIRPTA Certificate, the original California Exemption Certificate (as applicable), and a conformed copy of each of the Deed as duly recorded among the official land records of the County of San Bernardino, the Natural Hazard Report, and each other document (or copies thereof) deposited into Escrow by Seller pursuant hereto, including, without limitation, those documents referenced in Section 8.

(e) Title Company. Escrow Holder shall cause the Title Company to issue the Buyer's Title Policy to Buyer.

(f) Closing Statement. Escrow Holder shall forward to both Buyer and Seller a separate accounting of all funds received and disbursed for each party.

(g) Informational Reports. Escrow Holder shall file any information reports required by Internal Revenue Code Section 6045(e), as amended.

(h) Possession. Possession of the Real Property shall be delivered to Buyer at the Closing.

13. Representations and Warranties.

(a) Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Real Property, Seller makes the following representations and warranties as of the Effective Date and as of the Closing, each of which is material and is being relied upon by Buyer (and the truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder), and all of which are material inducements to Buyer to enter into this Agreement (and but for which Buyer would not have entered into this Agreement) and shall survive Closing; provided that each of the representations and warranties of Seller is based upon the information and belief of the Executive Director of the Successor Agency:

(i) Seller believes that it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated subject to the approval of the Oversight Board and, as may be applicable, DOF.

(ii) Subject to the approval of the Oversight Board and, as may be applicable, DOF, Seller believes that all requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(iii) Subject to the approval of the Oversight Board and, as may be applicable, DOF, the individual executing this Agreement and the instruments referenced herein on behalf of Seller has the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.

(iv) Seller believes that neither the execution or delivery of this Agreement or the documents or instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement or the documents or instruments referenced herein or therein conflict with or result in the

material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, lease or other agreement or instrument to which Seller is a party or that affect the Real Property, including, but not limited to, any of the Title Documents or the Property Documents.

(v) There is no pending litigation nor, to the best of Seller's knowledge, threatened litigation, which does or will adversely affect the right of Seller to convey the Real Property. There are no claims which have been received by Seller that have not been disclosed to Buyer.

(vi) Seller has made no written or oral commitments to or agreements with any governmental authority or agency materially and adversely affecting the Real Property, or any part hereof, or any interest therein, which will survive the Closing.

(vii) There are no leases or rental agreements in effect as to the Real Property.

(viii) Seller is not in default of its obligations under any contract, agreement or instrument to which Seller is a party pertaining to the Real Property.

(ix) There are no mechanics', materialmen's or similar claims or liens presently claimed or which will be claimed against the Real Property for work performed or commenced for Seller or on Seller's behalf prior to the date of this Agreement.

(x) There are no undisclosed contracts, licenses, commitments, undertakings or other written or oral agreements for services, supplies or materials concerning the use, operation, maintenance, or management of the Real Property that will be binding upon Buyer or the Real Property after the Closing. There are no oral contracts or other oral agreements for services, supplies or materials, affecting the use, operation, maintenance or management of the Real Property.

(xi) There are not as of the Effective Date, nor will there be as of the Closing, any written or oral leases or contractual right or option to lease, purchase, or otherwise enjoy possession, rights or interest of any nature in and to the Real Property or any part thereof, and no person other than Buyer shall have any right of possession to the Real Property or any part thereof as of the Closing.

(xii) No person, excepting Seller, has possession or any rights to possession of the Real Property or portion thereof.

(b) Subsequent Changes to Seller's Representations and Warranties. If, prior to the Closing, Buyer or Seller should learn, discover or become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Seller set forth herein incorrect or untrue in any respect (collectively, the "Seller Representation Matter"), then the party who has learned, discovered or become aware of such Representation Matter shall promptly give written notice thereof to the other party and Seller's representations and warranties shall be automatically limited to account for the Representation Matter. Buyer shall have the right to approve or disapprove any such change and to terminate this Agreement by written notice to Seller if Buyer reasonably disapproves any such change. If Buyer does not elect to terminate this Agreement, Seller's representation shall be

qualified by such Seller Representation Matter and Seller shall have no obligation to Buyer for such Seller Representation Matter.

(c) Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Real Property, Buyer makes the following representations and warranties as of the date hereof and at and as of the Closing, each of which is material and is being relied upon by Seller (and the truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder), and all of which shall survive Closing:

(i) Buyer has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated hereby.

(ii) All requisite action has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(iii) The individuals executing this Agreement and the instruments referenced herein on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms and conditions hereof and thereof.

(iv) Neither the execution and delivery of this Agreement and the documents and instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement and the documents and instruments referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which Buyer is a party or by which any of Buyer's properties are bound.

(d) Subsequent Changes to Buyer's Representations and Warranties. If, prior to the Closing, Seller or Buyer should learn, discover or become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Buyer set forth herein incorrect or untrue in any respect (collectively, the "Buyer's Representation Matter"), then the party who has learned, discovered or become aware of such Buyer's Representation Matter shall promptly give written notice thereof to the other party and Buyer's representations and warranties shall be automatically limited to account for the Buyer's Representation Matter. Seller shall have the right to approve or disapprove any such change and to terminate this Agreement by written notice to Buyer if Seller reasonably disapproves any such change. If Seller does not elect to terminate this Agreement, Buyer's representation shall be qualified by such Buyer's Representation Matter and Buyer shall have no obligation to Seller for such Buyer's Representation Matter.

14. Fair Value Price. Each of Buyer and Seller believe that the Purchase Price represents a fair value price for the Real Property. At such time as Buyer makes improvements to the Real Property, the costs for planning, designing, and constructing such improvements shall be borne exclusively by the Buyer and the Buyer shall construct or cause to be constructed such improvements in compliance with all the zoning, planning and design review requirements of the San Bernardino

Municipal Code, and all nondiscrimination, labor standard, and wage rate requirements to the extent such labor and wage requirements are applicable.

Buyer, including but not limited to its contractors and subcontractors, shall be responsible to comply with Labor Code Section 1720, et seq., if applicable, and its implementing regulations, regarding the payment of prevailing wages (the "State Prevailing Wage Law"), if applicable, and, if applicable, federal prevailing wage law ("Federal Prevailing Wage Law" and, together with State Prevailing Wage Law, "Prevailing Wage Laws") with regard to the construction of improvements to the Real Property, but only if and to the extent such sections are applicable to the development of the Real Property. Insofar as the parties understand that Buyer is paying a fair market price for the Real Property, the parties believe that the payment of prevailing wages will not be required. In any event, Buyer shall be solely responsible for determining and effectuating compliance with the Prevailing Wage Laws, neither the Seller nor the City makes any final representation as to the applicability or non-applicability of the Prevailing Wage Laws to improvements to the Real Property, or any part thereof. Buyer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold each of the Seller and the City, and their respective officers, employees, agents and representatives, harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon Buyer's acts or omissions pertaining to the compliance with the Prevailing Wage Laws as to the Real Property. This Section 14 shall survive Closing.

15. General Provisions.

(a) Condemnation. If any material portion of the Real Property shall be taken or appropriated by a public or quasi-public authority exercising the power of eminent domain, Buyer shall have the right, at its option, to (i) terminate this Agreement or (ii) proceed with the purchase of the Real Property and receive all of the award or payment made in connection with such taking.

(b) Notices. All notices, demands, requests or other communications required or permitted hereunder (collectively, "Notices") shall be in writing, shall be addressed to the receiving party as provided in the Basic Terms section above, and shall be personally delivered, sent by overnight mail (Federal Express or another carrier that provides receipts for all deliveries), sent by certified mail, postage prepaid, return receipt requested, or sent by facsimile transmission (provided that a successful transmission report is received). All Notices shall be effective upon receipt at the appropriate address. Notice of change of address shall be given by written notice in the manner detailed in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no Notice in accordance with this Section was given shall be deemed to constitute receipt of such Notice. The providing of copies of Notices to the parties' respective counsels is for information only, is not required for valid Notice and does not alone constitute Notice hereunder.

(c) Brokers. Seller assumes sole responsibility for any consultants or brokers ("Seller's Agents") it may have retained in connection with the sale of the Real Property (and Buyer shall have no responsibility in connection with such matters). Seller represents that it has engaged Keller Williams Realty as "Seller's Real Estate Broker" and that Seller shall be solely responsible for any commission, cost, fee or compensation of any kind due to Seller's Real Estate Broker. Seller represents to Buyer that Seller has not engaged any consultants, finders or real estate brokers other than Seller's Real Estate Broker in connection with the sale of the Real Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind due or owing to

any person or entity in connection with this Agreement other than Seller's costs with respect to the Seller's Real Estate Broker Commission. Seller agrees to and does hereby indemnify and hold the Buyer free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Seller in connection with this Agreement. Buyer assumes sole responsibility for any consultants or brokers ("Buyer's Agents") it may have retained in connection with the purchase of the Real Property. Buyer represents that it has engaged Heath Michael Hilgenberg as "Buyer's Real Estate Broker" and other than the portion of the Seller's Real Estate Broker's Commission that is payable to the Buyer's Real Estate Broker per Section 10(a) of this Agreement, Buyer shall be solely responsible for any other cost, fee or compensation of any kind due to Buyer's Real Estate Broker, if any. Buyer represents to Seller that Buyer has not engaged any consultants, finders or real estate brokers other than Buyer's Real Estate Broker in connection with the sale of the Real Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind due or owing to any person or entity in connection with this Agreement. Buyer agrees to and does hereby indemnify and hold the Seller free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Buyer in connection with this Agreement. The Parties acknowledge and agree that Buyer has been represented in this transaction by Heath Michael Hilgenberg as "Buyer's Real Estate Broker." At Close of Escrow, Seller shall pay Seller's Real Estate Broker's Commission for sale of the Property in accordance with Seller's listing agreement with Seller's Real Estate Broker. The broker's commission shall be divided equally between Buyer's Real Estate Broker and Seller's Real Estate Broker.

(d) Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Buyer and Seller shall be deemed both a covenant and a condition and shall be a material consideration for Seller's and Buyer's performance hereunder, as appropriate, and any breach thereof by Buyer or Seller shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

(e) Cooperation. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use all reasonable efforts to accomplish the Closing in accordance with the provisions hereof and, following Closing.

(f) Remedies. Without limitation as to the availability of other remedies, this Agreement may be enforced by an action for specific enforcement.

(g) Time. Time is of the essence of every provision herein contained. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until 5:00 p.m. of the next day that is not a Saturday, Sunday, or legal holiday. Except as otherwise expressly provided herein, all time periods expiring on a specified date or period herein shall be deemed to expire at 5:00 p.m. on such specified date or period.

(h) Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. A facsimile signature shall be deemed an original signature.

(i) Captions. Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

(j) Obligations to Third Parties. City shall be deemed to be a third party beneficiary of this Agreement. Excepting only for the City, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties to this Agreement to, any person or entity other than the parties hereto.

(k) Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

(l) Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

(m) Applicable Law. This Agreement shall be governed by and construed in accordance with the local law of the State of California.

(n) Exhibits and Schedules. The exhibits and schedules attached hereto are incorporated herein by this reference for all purposes.

(o) Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, including, without limitation, that certain Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate dated March 22, 2018, and contains the entire agreement between, and the final expression of, Buyer and Seller with respect to the subject matter hereof. The parties hereto expressly agree and confirm that this Agreement is executed without reliance on any oral or written statements, representations or promises of any kind which are not expressly contained in this Agreement. No subsequent agreement, representation or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

(p) Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors and assigns of the parties hereto.

(q) Assignment. Neither party may assign its rights under this Agreement without the prior consent of the other party.

[signatures begin on the following page]

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

“SELLER”

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF SAN BERNARDINO**, a public entity, corporate
and politic

By: _____
Andrea M. Miller
Executive Director

Approved as to form:
Gary D. Saenz, City Attorney

By: _____

“BUYER”

**LEAPING FROG INVESTMENTS, LLC, a
California limited liability company**

By: _____
Name: Eric Benden
Its: _____

By: _____
Name: John Clark
Its: _____

Acceptance by Escrow Holder:

Commonwealth Land and Title Company hereby acknowledges that it has received a fully executed copy of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions by and between the Successor Agency to the Redevelopment Agency of the City of San Bernardino, a public entity, corporate and politic ("Seller"), and Leaping Frog Investments ("Buyer") and agrees to act as Escrow Holder thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Holder.

Dated: _____, 2018

COMMONWEALTH LAND AND TITLE
COMPANY

By: _____
Name: _____
Its: _____

EXHIBIT A
LEGAL DESCRIPTION

Lot 5, Block C, Dunn and Black Subdivision, as per plat recorded in Book 15, Page 67 of Maps in the City of San Bernardino, County of San Bernardino, State of California.

Address: 1256 Wall Avenue
APN: 0146-241-07

EXHIBIT B

DEED
NOT FOR SIGNATURE

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

Leaping Frog Investments, LLC
P.O. Box 45
Rancho Cucamonga, CA 91729
Attn: Eric Benden

APN: 0146-241-07
Address: 1256 Wall Avenue
San Bernardino, California

[Space above for recorder.]
DOCUMENTARY TRANSFER TAX
\$ _____
computed on the consideration or value of
property conveyed; OR computed on the
consideration or value less liens or
encumbrances remaining at time of sale.

Signature of Declarant or Agent determining tax
- Firm Name

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Successor Agency to the Redevelopment Agency of the City of San Bernardino, a public entity, corporate and politic (“Grantor”), hereby grants to the Leaping Frog Investments, LLC (“Grantee”), that certain real property located in the County of San Bernardino, State of California, more particularly described on **Attachment No. 1** attached hereto and incorporated herein by this reference (the “Property”), subject to existing easements, restrictions and covenants of record.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 2018.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF SAN BERNARDINO**

By: **NOT FOR SIGNATURE**
Andrea M. Miller
Executive Director

ATTACHMENT NO. 1 TO GRANT DEED

LEGAL DESCRIPTION

Lot 5, Block C, Dunn and Black Subdivision, as per plat recorded in Book 15, Page 67 of Maps in the City of San Bernardino, County of San Bernardino, State of California.

Address: 1256 Wall Avenue

APN: 0146-241-07

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

STATE OF CALIFORNIA)
) ss.
 COUNTY OF _____)

On _____, before me, _____, Notary Public,
 (Print Name of Notary Public)

personally appeared _____

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

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

WITNESS my hand and official seal.

 Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

- Individual
- Corporate Officer

 Title(s)

 Title Or Type Of Document

- Partner(s) Limited General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

 Number Of Pages

Signer is representing:
 Name Of Person(s) Or Entity(ies)

 Date Of Documents

 Signer(s) Other Than Named Above

EXHIBIT C

FIRPTA CERTIFICATE

TRANSFEROR'S CERTIFICATE OF NON-FOREIGN STATUS

To inform the Leaping Frog Investments, LLC, (the "Transferee"), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended ("Code") will not be required upon the transfer of certain real property to the Transferee by the Successor Agency to the Redevelopment Agency of the City of San Bernardino (the "Transferor"), the undersigned hereby certifies the following:

1. The Transferor is not a foreign person or citizen, foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);
2. The Transferor's social security number or U.S. employer identification number is as follows: _____.
3. The Transferor's home or office address is:

The Transferor understands that this certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment or both. Under penalty of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document.

Successor Agency to the Redevelopment
Agency of the City of San Bernardino

