

May 4, 2019

Dear Valued Cougar Mountain Customer,

Enclosed is an invoice for the annual renewal of your Software Assurance program.

Your Software Assurance agreement entitles you to:

- All software updates
- One version upgrade
- A 10% discount on customer support and training
- Automatic notification about new features as we release them
- Access to the Customer Service Center website (<https://service.cougarmtn.com/>) where, you will find service pack updates ready for download, FAQs, e-Learning, and links to other valuable information

You can also purchase an annual installation service plan that covers up to four installations listed under your Software Assurance plan. See the enclosed document that will explain in greater detail what this plan covers.

In order to maximize the time available for installation, we strongly encourage you to complete the tasks listed on the Pre-Installation Checklist before your installation appointment. You can access this list online at <https://service.cougarmtn.com/pre-installation-checklist/>.

We want to become a partner you can continue to rely on and trust. We know installing updates and upgrades is a time-consuming process and always seems "easier said than done." We hope to minimize your frustration and ensure updates and upgrades are installed right the first time. If you have additional questions, problems, or require assistance, please call Cougar Mountain Software Customer Support at (800) 390-7053.

Our goal at Cougar Mountain is to help your business grow and succeed. Please let us know if you have any suggestions to help us make your Cougar Mountain Software experience better.

Yours truly,



Chuck Gossett
Chief Executive Officer
Cougar Mountain Software

Cougar Mountain Software
7180 Potomac Dr
Boise, ID 83704
Phone: (208) 375-4455 Fax: (208) 375-4460

INVOICE
 Page 1 of 1

INVOICE NO. 382462

ACCT. NO.: 5309936750
SOLD TO: City of Loyalton
 210 Front Street
 Loyalton CA 96118
 UNITED STATES

SHIP TO: City of Loyalton
 210 Front Street
 Loyalton CA 96118
 UNITED STATES

Phone: 530-993-6750
 Email: bkkpr1-cityofloyalton@psln.com

Phone: 530-993-6750
 Email: bkkpr1-cityofloyalton@psln.com

SALES NO.	CUSTOMER REQ. NUMBER	SHIP VIA	SALES- PERSON	DATE SHIPPED	TERMS	INVOICE DATE
15	SENDING CHECK		KMT	05/07/2019		05/07/2019

QUANTITY ORDERED	QUANTITY SHIPPED	BACK ORDERED	ITEM NO.	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
2.00	2.00	0.00	SAR-D-FND-CONTR	EIN#94-6000364 SA Renewal Fund Controller	\$69.00	\$138.00
1.00	1.00	0.00	SAR-D-FND-GL	SA Renewal Fund GL Module	\$230.00	\$230.00
1.00	1.00	0.00	SAR-D-FND-AP	SA Renewal Fund AP Module	\$230.00	\$230.00
1.00	1.00	0.00	SAR-D-FND-BR	SA Renewal Fund BR Module	\$230.00	\$230.00
1.00	1.00	0.00	SAR-D-FND-PR	SA RENEWAL FUND PAYROLL	\$230.00	\$230.00
1.00	1.00	0.00	AATRIX1	FED/STATE TAX REP. SINGLE USER	\$99.00	\$99.00
1.00	1.00	0.00	HNDL	Processing / Handling Fee	\$70.00	\$70.00

Weight	0.00 lbs.				SALES AMOUNT	\$1,227.00
Tender Types		Debit Card	\$0.00		TAXABLE TOTAL	\$1,227.00
Cash	\$0.00	Alternate Tender	\$0.00		SALES TAX	\$5.08
Check	\$0.00	Gift Card	\$0.00		FREIGHT	\$0.00
AR Charge	\$1,232.08	Foreign Currencies	\$0.00		TOTAL	\$1,232.08
Credit Card	\$0.00	WebPay	\$0.00			
CC Rebates	\$0.00			Thank You		

Kathy LeBlanc

From: Sarah Jackson [sarah.cityofloyalton@gmail.com]
Sent: Monday, May 13, 2019 3:38 PM
To: Tracy Smith
Cc: Charlotte Willis; Kathy LeBlanc
Subject: Re: Social Hall

Yes, please add D& PA regarding Social Hall Access to the agenda. We should reach out to the Fire Dept to see if they borrowed the tables (most likely scenario) and implement some standards regarding access. If we need to certainly we can change the locks.

I approve with reimbursing renters of the social hall in this situation. They did not receive what they paid for.

Thanks for checking - Sarah

On Mon, May 13, 2019 at 3:28 PM Tracy Smith <bkkpr1-cityofloyalton@psln.com> wrote:

Good Afternoon,

So it appears the social hall is the latest problem. First, on May's Agenda is D&PA regarding changing the locks at the social hall because it appears many around this town have a key and recently the city has rented the social hall to individuals who never came in for a key prior to their event, how does that work? How do you get in without a key? Unless you already have a key? Secondly now, it appears someone is helping themselves to the tables in the social hall. This last Saturday the social hall was booked, as it is many weekends, for a group of about 30. The renter who picked up the key on Friday confirmed there were tables and chairs in there but when they arrived for set up on Saturday, no tables. Renter said it worked ok but everyone had to eat with their plates on their laps, the city may want to reimburse that renter for the social hall rent just because, just a thought.....Now I don't know where those tables went or if they are even back but not to accuse, my guess is the Fire Dept. needed extra tables up at the S.B. Lodge for the spaghetti feed and they picked them up, not good communication with City Hall and another reason the locks need to be changed where only public works and maintenance workers have a key. So I don't know if that needs to be added to the agenda as well or if changing the locks will solve the problems. Thank you and please advise on how we should handle the rent paid for the hall this past Saturday when all the tables were missing.

Tracy Smith

Bookkeeper

City of Loyalton

bkkpr1-cityofloyalton@psln.com

(530)993-6750

Tracy Smith

From: Kathy LeBlanc [ofclerk-cityofloyalton@psln.com]
Sent: Thursday, May 16, 2019 10:03 AM
To: bkkpr1-cityofloyalton@psln.com
Subject: FW: SCORE Liability Program - Payment Plan?

From: Kathy LeBlanc [<mailto:cityofloyalton@digitalpath.net>]
Sent: Thursday, May 16, 2019 9:08 AM
To: ofclerk-cityofloyalton@psln.com
Subject: FW: SCORE Liability Program - Payment Plan?

From: Marcus Beverly [<mailto:Marcus.Beverly@alliant.com>]
Sent: Thursday, May 16, 2019 8:54 AM
To: rjankovitz@gmail.com; cityofloyalton@digitalpath.net; City of Tulelake (cityoftulelake@cot.net)
Cc: Michelle Minnick
Subject: SCORE Liability Program - Payment Plan?

Greetings – writing to remind each of you that the SCORE Board approved a liability coverage payment plan for each of your cities for FY 18/19.

While the Board has encouraged members to avoid the need for a payment plan, if you want to request again for FY 19/20 we need a written request in time to include in the next Board packet, no later than May 31.

Please let me or Michelle know if you want to request a plan, have questions or need anything else.

Regards,

Marcus Beverly

Marcus Beverly, CPCU, AIC, ARM-P
First Vice President
Alliant Insurance Services, Inc.
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C 916.660.2725

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Sacramento, CA 95815
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**City of Loyaltyon
Social Hall**

July 2018 through April 2019

	Social Hall 9420 (Park 9420-1)	Total Park 9420-1 (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense				
Income				
Charges for Current Services				
Rent Income	130.00	130.00	130.00	130.00
Social Hall				
Total Rent Income	130.00	130.00	130.00	130.00
Total Charges for Current Services	130.00	130.00	130.00	130.00
Total Income	130.00	130.00	130.00	130.00
Gross Profit	130.00	130.00	130.00	130.00
Expense				
Repairs & Maintenance	6.42	6.42	6.42	6.42
Utilities				
Propane	3,301.75	3,301.75	3,301.75	3,301.75
Total Utilities	3,301.75	3,301.75	3,301.75	3,301.75
Salaries and Wages				
Payroll Tax Expense	49.22	49.22	49.22	49.22
Payroll Expense	535.50	535.50	535.50	535.50
Total Salaries and Wages	584.72	584.72	584.72	584.72
Services and Supplies				
Insurance	49.95	49.95	49.95	49.95
Operating Supplies	27.01	27.01	27.01	27.01
Total Services and Supplies	76.96	76.96	76.96	76.96
Total Expense	3,969.85	3,969.85	3,969.85	3,969.85
Net Ordinary Income	-3,839.85	-3,839.85	-3,839.85	-3,839.85
Net Income	-3,839.85	-3,839.85	-3,839.85	-3,839.85

City of Loyaltan
MUSEUM

July 2018 through April 2019

	Museums 9410 (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense			
Income			
Donations	915.00	915.00	915.00
Total Income	915.00	915.00	915.00
Gross Profit	915.00	915.00	915.00
Expense			
Utilities			
Security	120.00	120.00	120.00
Propane	1,711.50	1,711.50	1,711.50
Electric	1,140.34	1,140.34	1,140.34
Garbage Disposal	67.42	67.42	67.42
Total Utilities	3,039.26	3,039.26	3,039.26
Taxes			
Solid Waste Benefit Assessment	100.82	100.82	100.82
Taxes - Other	1.84	1.84	1.84
Total Taxes	102.66	102.66	102.66
Services and Supplies			
Insurance	49.95	49.95	49.95
Total Services and Supplies	49.95	49.95	49.95
Total Expense	3,191.87	3,191.87	3,191.87
Net Ordinary Income	-2,276.87	-2,276.87	-2,276.87
Net Income	-2,276.87	-2,276.87	-2,276.87

**City of Loyaltyon
Cemetery**

July 2018 through April 2019

	Cemeteries 9220-1 (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense			
Income			
Charges for Current Services			
Cemetery	2,000.00	2,000.00	2,000.00
Plots			
Total Cemetery	2,000.00	2,000.00	2,000.00
Total Charges for Current Services	2,000.00	2,000.00	2,000.00
Total Income	2,000.00	2,000.00	2,000.00
Gross Profit	2,000.00	2,000.00	2,000.00
Expense			
Salaries and Wages			
Payroll Tax Expense	12.74	12.74	12.74
Payroll Expense	150.00	150.00	150.00
Total Salaries and Wages	162.74	162.74	162.74
Total Expense	162.74	162.74	162.74
Net Ordinary Income	1,837.26	1,837.26	1,837.26
Net Income	1,837.26	1,837.26	1,837.26

City of Loyaltan Streets

July 2018 through April 2019

	Gas Tax 9422-1 (Streets and Hi...	SNOW REMOV... (Streets and Hi...	Streets and Hi... (Streets and Hi...	Total Streets a... (Special Reven...	Total Special ...	TOTAL
Ordinary Income/Expense						
Income						
Intergovernmental - State						
Road Maintenance & Rehab	0.00	0.00	11,145.04	11,145.04	11,145.04	11,145.04
VLF Swap	0.00	0.00	369.06	369.06	369.06	369.06
Traffic Congestion Relief	0.00	0.00	867.20	867.20	867.20	867.20
Highway Users Tax						
2103 (Gas Tax)	2,255.78	0.00	0.00	2,255.78	2,255.78	2,255.78
2105	0.00	0.00	3,424.24	3,424.24	3,424.24	3,424.24
2106	0.00	0.00	5,082.64	5,082.64	5,082.64	5,082.64
2107	0.00	0.00	4,215.84	4,215.84	4,215.84	4,215.84
2107.5	0.00	0.00	1,000.00	1,000.00	1,000.00	1,000.00
Total Highway Users Tax	2,255.78	0.00	13,722.72	15,978.50	15,978.50	15,978.50
Total Intergovernmental - State	2,255.78	0.00	26,104.02	28,359.80	28,359.80	28,359.80
Total Income	2,255.78	0.00	26,104.02	28,359.80	28,359.80	28,359.80
Gross Profit	2,255.78	0.00	26,104.02	28,359.80	28,359.80	28,359.80
Expense						
Finance Charge						
Small Tools & Equipment	0.00	0.00	0.10	0.10	0.10	0.10
Repairs & Maintenance	0.00	20.36	800.13	820.49	820.49	820.49
Utilities						
Internet - Broadband	0.00	0.00	57.25	57.25	57.25	57.25
Propane	0.00	0.00	62.73	62.73	62.73	62.73
Electric	23,838.05	0.00	8,978.31	32,816.36	32,816.36	32,816.36
Total Utilities	23,838.05	0.00	9,098.29	32,936.34	32,936.34	32,936.34
Equipment Repair & Maintenance	0.00	0.00	27.47	27.47	27.47	27.47
Taxes						
Solid Waste Benefit Assessm...	0.00	0.00	20.18	20.18	20.18	20.18
Taxes - Other	0.00	0.00	0.26	0.26	0.26	0.26
Total Taxes	0.00	0.00	20.44	20.44	20.44	20.44
Salaries and Wages						
Workers Comp.	0.00	0.00	831.34	831.34	831.34	831.34
Payroll Tax Expense	0.00	537.73	262.77	800.50	800.50	800.50
Payroll Expense	0.00	537.73	262.77	800.50	800.50	800.50
Part Time Wages	0.00	0.00	12.42	12.42	12.42	12.42
Payroll Expense - Other	0.00	4,277.63	2,558.50	6,836.13	6,836.13	6,836.13

City of Loyaltton
Streets
 July 2018 through April 2019

	Gas Tax 9422-1 (Streets and Hi...	SNOW REMOV... (Streets and Hi...	Streets and Hi... (Streets and Hi...	Total Streets a... (Special Reven...	Total Special ...	TOTAL
Total Payroll Expense	0.00	4,277.63	2,570.92	6,848.55	6,848.55	6,848.55
Total Salaries and Wages	0.00	4,815.36	3,665.03	8,480.39	8,480.39	8,480.39
Services and Supplies						
Automobile Expense	0.00	1,135.77	114.64	1,250.41	1,250.41	1,250.41
Fuel	0.00	0.00	48.79	48.79	48.79	48.79
Automobile Expense - Other						
Total Automobile Expense	0.00	1,135.77	163.43	1,299.20	1,299.20	1,299.20
Contracted Services						
Professional Fees	0.00	0.00	3,627.43	3,627.43	3,627.43	3,627.43
Auditing Expense	0.00	0.00	2,738.21	2,738.21	2,738.21	2,738.21
Accounting & Financial	0.00	0.00	118.20	118.20	118.20	118.20
Total Contracted Services	0.00	0.00	6,483.84	6,483.84	6,483.84	6,483.84
Dues and Subscriptions	0.00	0.00	34.86	34.86	34.86	34.86
Insurance						
Liability Insurance	0.00	0.00	2,005.82	2,005.82	2,005.82	2,005.82
Property Insurance	0.00	0.00	1,577.77	1,577.77	1,577.77	1,577.77
Insurance - Other	0.00	0.00	130.30	130.30	130.30	130.30
Total Insurance	0.00	0.00	3,713.89	3,713.89	3,713.89	3,713.89
Office Expense	0.00	0.00	264.95	264.95	264.95	264.95
Operating Supplies	0.00	76.93	182.71	182.71	182.71	182.71
Telephone	0.00	0.00	45.71	45.71	45.71	45.71
Services and Supplies - Other	0.00	0.00	0.32	0.32	0.32	0.32
Total Services and Supplies	0.00	1,212.70	10,812.78	12,025.48	12,025.48	12,025.48
Total Expense	23,838.05	6,048.42	24,707.27	54,593.74	54,593.74	54,593.74
Net Ordinary Income	-21,582.27	-6,048.42	1,396.75	-26,233.94	-26,233.94	-26,233.94
Net Income	-21,582.27	-6,048.42	1,396.75	-26,233.94	-26,233.94	-26,233.94

City of Loyaltan
WWTP & Sewer
 July 2018 through April 2019

	WWTP Pond ... (Sewer Fund ...)	Waste Water ... (Sewer Fund ...)	Sewer Fund 7... (Sewer Fund ...)	Total Sewer F... (Enterprise Fu...)	Total Enterpri...	TOTAL
Ordinary Income/Expense						
Income						
Intergovernmental - Federal						
USDA Grant	362,797.00	0.00	50,349.38	413,146.38	413,146.38	413,146.38
Total Intergovernmental - Federal	362,797.00	0.00	50,349.38	413,146.38	413,146.38	413,146.38
Enterprise Income						
Sewer Service Income						
Late Fees Sewer	0.00	0.00	2,506.57	2,506.57	2,506.57	2,506.57
Sewer Service Income - Other	0.00	0.00	300,977.52	300,977.52	300,977.52	300,977.52
Total Sewer Service Income	0.00	0.00	303,484.09	303,484.09	303,484.09	303,484.09
Water Service Income						
Late Fees Water	0.00	106.64	0.00	106.64	106.64	106.64
Water Service Income - Other	0.00	-11.66	0.00	-11.66	-11.66	-11.66
Total Water Service Income	0.00	94.98	0.00	94.98	94.98	94.98
Total Enterprise Income	0.00	94.98	303,484.09	303,579.07	303,579.07	303,579.07
Charges for Current Services						
Copies & Faxes	0.00	0.00	283.71	283.71	283.71	283.71
Total Charges for Current Services	0.00	0.00	283.71	283.71	283.71	283.71
Revenue Use of Money & Property						
Interest Income	5,451.50	0.00	502.69	5,954.19	5,954.19	5,954.19
Total Revenue Use of Money & Property	5,451.50	0.00	502.69	5,954.19	5,954.19	5,954.19
Total Income	368,248.50	94.98	354,619.87	722,963.35	722,963.35	722,963.35
Gross Profit	368,248.50	94.98	354,619.87	722,963.35	722,963.35	722,963.35
Expense						
Late Fee	0.00	0.00	11.69	11.69	11.69	11.69
Finance Charge	0.00	0.00	0.80	0.80	0.80	0.80
Small Tools & Equipment						
Small Tools & Equipment - Other	0.00	0.00	579.51	579.51	579.51	579.51
Safety	0.00	0.00	2,062.48	2,062.48	2,062.48	2,062.48
Small Tools & Equipment - Other	0.00	0.00	4,708.06	4,708.06	4,708.06	4,708.06
Total Small Tools & Equipment	0.00	0.00	7,350.05	7,350.05	7,350.05	7,350.05
Repairs & Maintenance						
Utilities	0.00	0.00	5,104.31	5,104.31	5,104.31	5,104.31
Security	0.00	0.00	48.00	48.00	48.00	48.00
Internet - Broadband	0.00	0.00	458.00	458.00	458.00	458.00

**City of Loyaltyon
WWTP & Sewer
July 2018 through April 2019**

	WWTP Pond ... (Sewer Fund ...	Waste Water ... (Sewer Fund ...	Sewer Fund 7... (Sewer Fund ...	Total Sewer F... (Enterprise Fu...	Total Enterpri...	TOTAL
Propane	0.00	0.00	2,302.51	2,302.51	2,302.51	2,302.51
Electric	0.00	0.00	42,323.81	42,323.81	42,323.81	42,323.81
Garbage Disposal	0.00	0.00	507.28	507.28	507.28	507.28
Utilities - Other	0.00	0.00	649.62	649.62	649.62	649.62
Total Utilities	0.00	0.00	46,289.22	46,289.22	46,289.22	46,289.22
Equipment Repair & Maintenance	0.00	0.00	16,549.78	16,549.78	16,549.78	16,549.78
Taxes						
Solid Waste Benefit Assessment	0.00	0.00	746.26	746.26	746.26	746.26
Taxes - Other	0.00	0.00	40.04	40.04	40.04	40.04
Total Taxes	0.00	0.00	786.30	786.30	786.30	786.30
Salaries and Wages						
Workers Comp.	0.00	0.00	8,313.44	8,313.44	8,313.44	8,313.44
Payroll Tax Expense	1.15	80.58	5,019.56	5,101.29	5,101.29	5,101.29
Payroll Expense						
Part Time Wages	0.00	411.30	17,021.66	17,432.96	17,432.96	17,432.96
Payroll Expense - Other	15.00	225.00	34,488.04	34,728.04	34,728.04	34,728.04
Total Payroll Expense	15.00	636.30	51,509.70	52,161.00	52,161.00	52,161.00
Total Salaries and Wages	16.15	716.88	64,842.70	65,575.73	65,575.73	65,575.73
Employee Benefits						
Nationwide City	0.00	0.00	569.32	569.32	569.32	569.32
Health Insurance	0.00	0.00	1,273.38	1,273.38	1,273.38	1,273.38
Total Employee Benefits	0.00	0.00	1,842.70	1,842.70	1,842.70	1,842.70
Services and Supplies						
Postage	0.00	0.00	948.01	948.01	948.01	948.01
Advertising	0.00	0.00	99.38	99.38	99.38	99.38
Automobile Expense						
Fuel	0.00	0.00	1,557.40	1,557.40	1,557.40	1,557.40
Automobile Expense - Other	0.00	0.00	390.28	390.28	390.28	390.28
Total Automobile Expense	0.00	0.00	1,947.68	1,947.68	1,947.68	1,947.68
Bank Service Charges						
Contracted Services						
Health/Drug Screening	0.00	0.00	28.00	28.00	28.00	28.00
Professional Fees	26,019.64	0.00	1,900.90	27,920.54	27,920.54	27,920.54
Legal Fees	0.00	0.00	1,755.00	1,755.00	1,755.00	1,755.00
Auditing Expense	0.00	0.00	5,196.00	5,196.00	5,196.00	5,196.00

**City of Loyaltyon
WWTP & Sewer
July 2018 through April 2019**

10:28 AM
05/15/19
Accrual Basis

	WWTP Pond ... (Sewer Fund ...)	Waste Water ... (Sewer Fund ...)	Sewer Fund 7... (Sewer Fund ...)	Total Sewer F... (Enterprise Fu...)	Total Enterpri...	TOTAL
Accounting & Financial Testing	0.00	0.00	945.60	945.60	945.60	945.60
Contracted Services - Other	0.00	0.00	4,284.00	4,284.00	4,284.00	4,284.00
	24,524.92	0.00	0.00	24,524.92	24,524.92	24,524.92
Total Contracted Services	50,544.56	0.00	14,109.50	64,654.06	64,654.06	64,654.06
Dues and Subscriptions Insurance	0.00	0.00	353.85	353.85	353.85	353.85
Liability Insurance	0.00	0.00	8,020.33	8,020.33	8,020.33	8,020.33
Property Insurance	0.00	0.00	6,308.08	6,308.08	6,308.08	6,308.08
Insurance - Other	0.00	0.00	421.29	421.29	421.29	421.29
Total Insurance	0.00	0.00	14,749.70	14,749.70	14,749.70	14,749.70
Licenses and Permits	0.00	0.00	18,953.35	18,953.35	18,953.35	18,953.35
Office Expense	0.00	0.00	2,137.38	2,137.38	2,137.38	2,137.38
Operating Supplies	0.00	0.00	4,750.57	4,750.57	4,750.57	4,750.57
Telephone	0.00	0.00	1,036.92	1,036.92	1,036.92	1,036.92
Training	0.00	0.00	285.05	285.05	285.05	285.05
Travel	0.00	0.00	500.00	500.00	500.00	500.00
Services and Supplies - Other	0.00	0.00	3,593.71	3,593.71	3,593.71	3,593.71
Total Services and Supplies	50,544.56	0.00	63,482.60	114,027.16	114,027.16	114,027.16
Total Expense	50,560.71	716.88	206,260.15	257,537.74	257,537.74	257,537.74
Net Ordinary Income	317,687.79	-621.90	148,359.72	465,425.61	465,425.61	465,425.61
Other Income/Expense						
Other Expense						
Debt Service						
Interest Expense						
Interest 92-01 Sewer	0.00	0.00	17,404.59	17,404.59	17,404.59	17,404.59
Interest 92-03 Sewer	0.00	0.00	2,603.04	2,603.04	2,603.04	2,603.04
Interest 92-07 Sewer	0.00	0.00	38,612.50	38,612.50	38,612.50	38,612.50
Total Interest Expense	0.00	0.00	58,620.13	58,620.13	58,620.13	58,620.13
Total Debt Service	0.00	0.00	58,620.13	58,620.13	58,620.13	58,620.13
Total Other Expense	0.00	0.00	58,620.13	58,620.13	58,620.13	58,620.13
Net Other Income	0.00	0.00	-58,620.13	-58,620.13	-58,620.13	-58,620.13
Net Income	317,687.79	-621.90	89,739.59	406,805.48	406,805.48	406,805.48

City of Loyaltyon
Water
July 2018 through April 2019

	Water Fund 75...	Total Enterpri...	TOTAL
	(Enterprise Fu...		
Ordinary Income/Expense			
Income			
Enterprise Income			
Water Service Income	300.00	300.00	300.00
Connection Fee	1,146.64	1,146.64	1,146.64
Late Fees Water	181,896.47	181,896.47	181,896.47
Water Service Income - Other			
Total Water Service Income	183,343.11	183,343.11	183,343.11
Total Enterprise Income	183,343.11	183,343.11	183,343.11
Revenue Use of Money & Property			
Interest Income	206.88	206.88	206.88
Total Revenue Use of Money & Property	206.88	206.88	206.88
Total Income	183,549.99	183,549.99	183,549.99
Gross Profit	183,549.99	183,549.99	183,549.99
Expense			
Finance Charge	0.80	0.80	0.80
Small Tools & Equipment			
Small Tools & Equipment - Other	166.00	166.00	166.00
Small Tools & Equipment - Other	117.77	117.77	117.77
Total Small Tools & Equipment	283.77	283.77	283.77
Repairs & Maintenance			
Utilities	1,246.42	1,246.42	1,246.42
Security	48.00	48.00	48.00
Internet - Broadband	458.00	458.00	458.00
Propane	489.00	489.00	489.00
Electric	31,463.73	31,463.73	31,463.73
Garbage Disposal	67.40	67.40	67.40
Total Utilities	32,526.13	32,526.13	32,526.13
Equipment Repair & Maintenance	1,594.72	1,594.72	1,594.72
Taxes			
Solid Waste Benefit Assessment	162.60	162.60	162.60
Taxes - Other	7.60	7.60	7.60
Total Taxes	170.20	170.20	170.20
Salaries and Wages			
Workers Comp.	8,313.44	8,313.44	8,313.44

City of Loyalton

Water

July 2018 through April 2019

	Water Fund 75...	Total Enterpri...	TOTAL
	(Enterprise Fu...		
Payroll Tax Expense	3,304.99	3,304.99	3,304.99
Payroll Expense			
Part Time Wages	15,496.83	15,496.83	15,496.83
Payroll Expense - Other	18,247.56	18,247.56	18,247.56
Total Payroll Expense	33,744.39	33,744.39	33,744.39
Total Salaries and Wages	45,362.82	45,362.82	45,362.82
Employee Benefits			
Nationwide City	569.21	569.21	569.21
Health Insurance	1,273.32	1,273.32	1,273.32
Total Employee Benefits	1,842.53	1,842.53	1,842.53
Services and Supplies			
Postage	855.30	855.30	855.30
Advertising	676.12	676.12	676.12
Automobile Expense			
Fuel	1,547.11	1,547.11	1,547.11
Automobile Expense - Other	390.28	390.28	390.28
Total Automobile Expense	1,937.39	1,937.39	1,937.39
Bank Service Charges			
Chemicals	10.50	10.50	10.50
Contracted Services	2,072.66	2,072.66	2,072.66
Health/Drug Screening	28.00	28.00	28.00
Professional Fees	918.40	918.40	918.40
Legal Fees	1,325.00	1,325.00	1,325.00
Auditing Expense	5,196.00	5,196.00	5,196.00
Accounting & Financial	945.60	945.60	945.60
Testing	4,800.00	4,800.00	4,800.00
Total Contracted Services	13,213.00	13,213.00	13,213.00
Dues and Subscriptions			
Insurance	753.85	753.85	753.85
Liability Insurance	8,020.33	8,020.33	8,020.33
Property Insurance	6,543.08	6,543.08	6,543.08
Insurance - Other	421.29	421.29	421.29
Total Insurance	14,984.70	14,984.70	14,984.70
Licenses and Permits			
Office Expense	1,038.00	1,038.00	1,038.00
Operating Supplies	2,049.85	2,049.85	2,049.85
Operating Supplies	1,730.49	1,730.49	1,730.49

City of Loyaltyon Water

July 2018 through April 2019

	Water Fund 75... (Enterprise Fu...)	Total Enterpri...	TOTAL
Telephone	630.67	630.67	630.67
Training	312.05	312.05	312.05
Services and Supplies - Other	2.60	2.60	2.60
Total Services and Supplies	40,267.18	40,267.18	40,267.18
Total Expense	123,294.57	123,294.57	123,294.57
Net Ordinary Income	60,255.42	60,255.42	60,255.42
Other Income/Expense			
Other Expense			
Debt Service			
Interest Expense			
Interest 91-05 Water	61,853.50	61,853.50	61,853.50
Total Interest Expense	61,853.50	61,853.50	61,853.50
Total Debt Service	61,853.50	61,853.50	61,853.50
Total Other Expense	61,853.50	61,853.50	61,853.50
Net Other Income	-61,853.50	-61,853.50	-61,853.50
Net Income	-1,598.08	-1,598.08	-1,598.08

City of Loyaltyon
General
July 2018 through April 2019

	General Gove... (General Fund)	City Building... (General Fund)	Law Enforce... (General Fund)	General Fund... (General Fund)	Total General...	TOTAL
Ordinary Income/Expense						
Income						
Transfer In	0.00	0.00	0.00	12,000.00	12,000.00	12,000.00
Building Permits	848.00	0.00	0.00	0.00	848.00	848.00
Donations	0.00	0.00	0.00	0.00	0.00	0.00
Property Taxes						
Supplemental	303.75	0.00	0.00	0.00	303.75	303.75
Homeowners	390.37	0.00	0.00	0.00	390.37	390.37
Clerk Fees	713.34	0.00	0.00	0.00	713.34	713.34
Secured	24,392.98	0.00	0.00	0.00	24,392.98	24,392.98
Unsecured	1,089.26	0.00	0.00	0.00	1,089.26	1,089.26
Prior Year	46.88	0.00	0.00	0.00	46.88	46.88
Total Property Taxes	26,936.58	0.00	0.00	0.00	26,936.58	26,936.58
Taxes & License Revenue						
Sales & Use	54,188.63	0.00	0.00	0.00	54,188.63	54,188.63
Franchise	6,414.92	0.00	0.00	0.00	6,414.92	6,414.92
License & Permits	715.00	0.00	0.00	0.00	715.00	715.00
Total Taxes & License Revenue	61,318.55	0.00	0.00	0.00	61,318.55	61,318.55
Intergovernmental - Federal	0.00	0.00	0.00	45,176.70	45,176.70	45,176.70
Intergovernmental - State						
VLF Swap	31,398.44	0.00	0.00	0.00	31,398.44	31,398.44
Intergovernmental - State - Ot...	0.00	0.00	0.00	140,866.70	140,866.70	140,866.70
Total Intergovernmental - State	31,398.44	0.00	0.00	140,866.70	172,265.14	172,265.14
Charges for Current Services						
Copies & Faxes	644.20	0.00	0.00	0.00	644.20	644.20
Rent Income						
Auditorium Rental	95.00	30.00	0.00	0.00	125.00	125.00
Social Hall	130.00	130.00	0.00	0.00	260.00	260.00
Total Rent Income	225.00	160.00	0.00	0.00	385.00	385.00
Charges for Current Services ...	0.00	713.36	0.00	0.00	713.36	713.36
Total Charges for Current Servic...	869.20	873.36	0.00	0.00	1,742.56	1,742.56
Revenue Use of Money & Property						
Interest Income	216.99	0.00	0.00	0.00	216.99	216.99
Total Revenue Use of Money & P...	216.99	0.00	0.00	0.00	216.99	216.99
Total Income	121,587.76	873.36	0.00	198,043.40	320,504.52	320,504.52

**City of Loyaltyon
General**

July 2018 through April 2019

	General Gove... (General Fund)	City Building... (General Fund)	Law Enforce... (General Fund)	General Fund... (General Fund)	Total General... (General Fund)	TOTAL
Gross Profit	121,587.76	873.36	0.00	198,043.40	320,504.52	320,504.52
Expense						
Late Fee	29.00	0.00	0.00	0.00	29.00	29.00
Finance Charge	100.73	0.00	0.00	0.00	100.73	100.73
DSA 796 Fees	19.20	0.00	0.00	0.00	19.20	19.20
Small Tools & Equipment	18.51	0.00	0.00	0.00	18.51	18.51
Repairs & Maintenance	53.98	115.11	0.00	0.00	169.09	169.09
Building Repairs	0.00	548.28	0.00	0.00	548.28	548.28
Utilities						
Security	24.00	0.00	0.00	0.00	24.00	24.00
Internet - Broadband	171.75	0.00	0.00	0.00	171.75	171.75
Propane	0.00	0.00	0.00	181.78	181.78	181.78
Electric	63.54	0.00	0.00	58.61	122.15	122.15
Total Utilities	259.29	0.00	0.00	240.39	499.68	499.68
Equipment Repair & Maintenance	48.43	0.00	0.00	0.00	48.43	48.43
Taxes						
Solid Waste Benefit Assessm...	20.18	4,091.50	0.00	0.00	4,111.68	4,111.68
Property Tax	4,304.14	0.00	0.00	0.00	4,304.14	4,304.14
Taxes - Other	0.26	10.00	0.00	0.00	10.26	10.26
Total Taxes	4,324.58	4,101.50	0.00	0.00	8,426.08	8,426.08
Salaries and Wages						
Workers Comp.	831.36	0.00	0.00	0.00	831.36	831.36
Payroll Tax Expense	653.95	146.29	0.00	0.00	800.24	800.24
Payroll Expense						
Part Time Wages	1,608.00	0.00	0.00	0.00	1,608.00	1,608.00
Payroll Expense - Other	4,435.68	1,588.70	0.00	0.00	6,024.38	6,024.38
Total Payroll Expense	6,043.68	1,588.70	0.00	0.00	7,632.38	7,632.38
Salaries and Wages - Other	0.00	0.00	0.00	12,000.00	12,000.00	12,000.00
Total Salaries and Wages	7,528.99	1,734.99	0.00	12,000.00	21,263.98	21,263.98
Services and Supplies						
Postage	99.01	0.00	0.00	0.00	99.01	99.01
Advertising	1,953.58	0.00	0.00	0.00	1,953.58	1,953.58
Automobile Expense						
Fuel	98.13	0.00	0.00	13.67	111.80	111.80
Automobile Expense - Other	146.36	0.00	0.00	0.00	146.36	146.36

City of Loyaltyon
General
July 2018 through April 2019

	General Gove... (General Fund)	City Building... (General Fund)	Law Enforce... (General Fund)	General Fund... (General Fund)	Total General... (General Fund)	TOTAL
Total Automobile Expense	244.49	0.00	0.00	13.67	258.16	258.16
Bank Service Charges	17.00	0.00	0.00	0.00	17.00	17.00
Contracted Services	229.60	0.00	12,500.00	0.00	12,729.60	12,729.60
Professional Fees	16,640.00	120.00	0.00	0.00	16,760.00	16,760.00
Legal Fees	1,299.00	0.00	0.00	0.00	1,299.00	1,299.00
Auditing Expense	354.60	0.00	0.00	0.00	354.60	354.60
Accounting & Financial						
Total Contracted Services	18,523.20	120.00	12,500.00	0.00	31,143.20	31,143.20
Dues and Subscriptions	154.57	0.00	0.00	0.00	154.57	154.57
Insurance						
Liability Insurance	2,005.83	0.00	0.00	0.00	2,005.83	2,005.83
Property Insurance	1,577.77	0.00	0.00	0.00	1,577.77	1,577.77
Travel for SCORE	117.80	0.00	0.00	0.00	117.80	117.80
Insurance - Other	130.30	0.00	0.00	0.00	130.30	130.30
Total Insurance	3,831.70	0.00	0.00	0.00	3,831.70	3,831.70
Miscellaneous						
Meals	19.09	0.00	0.00	0.00	19.09	19.09
Total Miscellaneous	19.09	0.00	0.00	0.00	19.09	19.09
Office Expense	1,065.68	0.00	0.00	25.20	1,090.88	1,090.88
Operating Supplies	274.35	144.02	0.00	19.24	437.61	437.61
Telephone	109.66	0.00	0.00	27.46	137.12	137.12
Travel	1,039.20	0.00	0.00	0.00	1,039.20	1,039.20
Services and Supplies - Other	76.24	0.00	0.00	0.00	76.24	76.24
Total Services and Supplies	27,407.77	264.02	12,500.00	85.57	40,257.36	40,257.36
Total Expense	39,790.48	6,763.90	12,500.00	12,325.96	71,380.34	71,380.34
Net Ordinary Income	81,797.28	-5,890.54	-12,500.00	185,717.44	249,124.18	249,124.18
Other Income/Expense						
Other Expense						
Transfers Out	0.00	0.00	0.00	176,793.17	176,793.17	176,793.17
Total Other Expense	0.00	0.00	0.00	176,793.17	176,793.17	176,793.17
Net Other Income	0.00	0.00	0.00	-176,793.17	-176,793.17	-176,793.17
Net Income	81,797.28	-5,890.54	-12,500.00	8,924.27	72,331.01	72,331.01

City of Loyalton
Unpaid Bills
As of April 30, 2019

Type	Date	Num	Due Date	Aging	Open Balance
AJE					
General Journal	06/30/2012	AJE cx			2,646.60
Total AJE					2,646.60
Audit Adjustments 2015					
General Journal	07/01/2017	COLR...			-3,753.00
Total Audit Adjustments 2015					-3,753.00
Home Depot					
Credit	08/12/2017	9292845			-13.48
Deposit	02/02/2018	16400...			13.48
Total Home Depot					0.00
Pape Machinery - POWERPLAN					
Credit	11/26/2014	CM 92...			-6.00
Total Pape Machinery - POWERPLAN					-6.00
Thatcher Company					
Credit	10/22/2018	Inv. 50...			-308.88
Bill	10/22/2018	Inv. 50...	11/21/2018	160	308.88
Total Thatcher Company					0.00
Western Hydro Corporation					
Credit	07/02/2014	CM 15...			-299.37
Total Western Hydro Corporation					-299.37
TOTAL					-1,411.77

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Cash Basis

City of Loyalton
Bills Paid
As of April 30, 2019

Type	Date	Num	Name	Memo	Paid Amou...
Enterprise Loan MM 0559					
Check	04/30/2019			Service Charge	-2.00
Total Enterprise Loan MM 0559					
General Funds					
General Checking 1956- NEW					
Check	04/18/2019				-17.00
Bill Pmt -Check	04/05/2019	EFT	Nationwide	PPE 03.30.2019	-209.91
Liability Check	04/05/2019	EFT	Employment Development Department	69817369 (PPE 03.30.2019)	-31.05
Liability Check	04/05/2019	EFT	US Treasury-941	94-6000364 (PPE 03.30.2019)	-1,256.96
Liability Check	04/05/2019	EFT	Employment Development Department	69817369 (PPE 03.30.2019)	-145.82
Liability Check	04/10/2019	EFT	Employment Development Department	69817369 (Carr Fire July/August 2018)	-5,035.37
Liability Check	04/10/2019	EFT	US Treasury-941	94-6000364 (Carr Fire July/August 2018)	-12,965.00
Liability Check	04/17/2019	EFT	Employment Development Department	69817369 (PPE 04.13.2019)	-49.04
Liability Check	04/17/2019	EFT	US Treasury-941	94-6000364 (PPE 04.13.2019)	-1,529.90
Liability Check	04/17/2019	EFT	Employment Development Department	69817369 (PPE 04.13.2019)	-209.50
Bill Pmt -Check	04/19/2019	EFT	Nationwide	PPE 04.13.2019	-296.74
Liability Check	04/19/2019	EFT	US Treasury-941	94-6000364 (PPE 04.13.2019)	-7.58
Liability Check	04/19/2019	EFT	Employment Development Department	69817369 (PPE 04.13.2019)	-0.05
Bill Pmt -Check	04/24/2019	EFT	Bank of America	5472064000010235	-1,494.87
Bill Pmt -Check	04/04/2019	EFT	Office Depot	6011 5661 5318 4480	-151.02
Bill Pmt -Check	04/05/2019	EFT	Plumas Bank-Vendor	Endorsement Stamp for General Account	-23.73
Paycheck	04/05/2019	5568	Petty Cash (Charlotte Willis)	Petty Cash Drawer	-30.60
Paycheck	04/05/2019	5569	Bennett, Kenneth E		-1,408.25
Paycheck	04/05/2019	5570	Jordan, Keith S.		-1,318.78
Paycheck	04/05/2019	5571	LeBlanc, Katherine L		-679.74
Paycheck	04/05/2019	5572	Smith, Tracy A		-511.93
Paycheck	04/05/2019	5573	Willis, Charlotte L		-523.91
Paycheck	04/09/2019	5574	Evans (Fire Fighter), John I.		-13,615.36
Paycheck	04/09/2019	5575	Heaston, Ora D.		-9,990.48
Paycheck	04/09/2019	5576	Simerson, Dale A		-7,650.74
Bill Pmt -Check	04/09/2019	5577	Fire Dept. Reserve Account - 7243	Carr Fire (July/August 2018) Engine Hours, Engi...	-24,456.33
Bill Pmt -Check	04/09/2019	5578	Fire Dept. Reserve Account - 7243	Simerson advance (10.05.2018) reimbursed to th...	-2,000.00
Bill Pmt -Check	04/11/2019	5579	Division of the State Architect	1QTR 2019 DSA 796 Fees	-3.60
Bill Pmt -Check	04/17/2019	5580	Amerigas*	201913977	-337.33
Bill Pmt -Check	04/17/2019	5581	AT&T CALNET 3		-89.41
Bill Pmt -Check	04/17/2019	5582	Farr West Engineering	Project R4442-1542-PWP Loyalton, City of-CAO ...	-1,404.75
Bill Pmt -Check	04/17/2019	5583	HUNT & SONS, INC	90582	-11.69
Bill Pmt -Check	04/17/2019	5584	Intermountain Disposal, Inc.	Account code LOYCI (Invoice 63620)	-141.90
Bill Pmt -Check	04/17/2019	5585	L. N. Curtis & Sons	Inv. INV269060	-1,189.43
Bill Pmt -Check	04/17/2019	5586	O'Reilly Auto Parts	Transaction No. 366661150892 (P.O. 6859)	-34.01
Bill Pmt -Check	04/17/2019	5587	Plumas-Sierra Telecomm.	Broadband, Account #37225 (04.01.2019-04.30....	-109.00
Bill Pmt -Check	04/17/2019	5588	Plumas Sierra Rural Electric		-3,720.28

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Cash Basis

City of Loyaltyon
Bills Paid
As of April 30, 2019

Type	Date	Num	Name	Memo	Paid Amou...
Bill Pmt -Check	04/17/2019	5589	S.C.O.R.E.	2018-2019 Property/Liability Insurance	-3,524.86
Bill Pmt -Check	04/17/2019	5590	Sierra County Auditor	Police Contract (May 2019)	-1,250.00
Bill Pmt -Check	04/17/2019	5591	Sierra Environmental Monitoring, Inc.	LOY-001	-809.00
Bill Pmt -Check	04/17/2019	5592	H & E Equipment Services, Inc.	Invoice 70559203, Order No. 42939591, Custom...	-2,391.65
Paycheck	04/19/2019	5593	Bennett, Kenneth E		-1,369.45
Paycheck	04/19/2019	5594	Cussins, John C		0.00
Paycheck	04/19/2019	5595	Jackson, Sarah M		-45.71
Paycheck	04/19/2019	5596	Jordan, Keith S.		-1,266.46
Paycheck	04/19/2019	5597	LeBlanc, Katherine L		-775.20
Paycheck	04/19/2019	5598	Markum, Joy L		-45.71
Paycheck	04/19/2019	5599	Redmon, Samantha L		-138.53
Paycheck	04/19/2019	5600	Riede, Darlene F		-45.71
Paycheck	04/19/2019	5601	Rogers, Nancy R.		-45.71
Paycheck	04/19/2019	5602	Smith, Tracy A		-761.36
Paycheck	04/19/2019	5603	Willis, Charotte L		-733.12
Bill Pmt -Check	04/19/2019	5604	Keith Jordan	Phone Reimbursement - April 2019	-15.00
Bill Pmt -Check	04/19/2019	5605	United Healthcare Insurance Company	J. Cussins May 2019 Premium - 327802773-1	-254.67
Bill Pmt -Check	04/19/2019	5606	Petty Cash (Charlotte Willis)	Petty Cash Drawer	-21.97
Paycheck	04/19/2019	5607	Mitchell, Brooks M.		-45.71
Bill Pmt -Check	04/24/2019	5608	California State Controller's Office	Annual Street Report 17/18 FY, Customer ID:Cl...	-1,439.21
Bill Pmt -Check	04/24/2019	5609	Dale Simerson	Hitchcock's Training Center (Invoice 19-006) Rei...	-225.00
Bill Pmt -Check	04/24/2019	5610	Northern Sierra Air Quality Manageme...	VOID: AIR POLLUTION PERMIT NO. 4252 (WW...	0.00
Bill Pmt -Check	04/24/2019	5611	Porter Simon Professional Services	VOID: 92132-13200M	0.00
Bill Pmt -Check	04/24/2019	5612	Sierra Environmental Monitoring, Inc.	VOID: LOY-001	0.00
Bill Pmt -Check	04/24/2019	5613	Softline Data	VOID: Basic UBMAX Yearly Support (Good Thro...	0.00
Bill Pmt -Check	04/24/2019	5614	Northern Sierra Air Quality Manageme...	AIR POLLUTION PERMIT NO. 4252 (WWTP)	-70.35
Bill Pmt -Check	04/24/2019	5615	Porter Simon Professional Services	92132-13200M	-480.00
Bill Pmt -Check	04/24/2019	5616	Sierra Environmental Monitoring, Inc.	LOY-001	-218.00
Bill Pmt -Check	04/24/2019	5617	Softline Data	Basic UBMAX Yearly Support (Good Through Ju...	-425.00
Total General Checking 1956- NEW					-109,048.44
General Contingency Saving 0322					
Total General Contingency Saving 0322					
Total General Funds					-109,048.44
Designated Funds					
WWTP Settlement MM 4321					
Total WWTP Settlement MM 4321					
WWTP Construction 1990					
Check	04/30/2019			Service Charge	-2.00
Bill Pmt -Check	04/24/2019	1211	Pape Machinery - POWERPLAN	Account 8850390707 (PO 5307988240) Block H...	-1,149.88

10:18 AM

05/15/19

Cash Basis

City of Loyalton

Bills Paid

As of April 30, 2019

Type	Date	Num	Name	Memo	Paid Amou...
Total WWTP Construction 1990					-1,151.88
Community Dev Block Grant 0059					
Total Community Dev Block Grant 0059					-1,151.88
Total Designated Funds					-110,202.32

TOTAL

City of Loyalton
Revenue & Expenses
April 2019

	<u>Apr 19</u>
Ordinary Income/Expense	
Income	
Transfer In	77,713.28
Donations	100.00
Taxes & License Revenue	
Sales & Use	8,053.88
Franchise	6,414.92
Total Taxes & License Revenue	14,468.80
Intergovernmental - State	
Road Maintenance & Rehab	1,425.31
Highway Users Tax	
2103 (Gas Tax)	261.87
2105	709.44
2106	1,022.04
2107	980.81
Total Highway Users Tax	2,974.16
Intergovernmental - State - Other	43,507.34
Total Intergovernmental - State	47,906.81
Enterprise Income	
Sewer Service Income	
Late Fees Sewer	484.96
Sewer Service Income - Other	58,258.72
Total Sewer Service Income	58,743.68
Water Service Income	
Late Fees Water	242.47
Water Service Income - Other	44,440.49
Total Water Service Income	44,682.96
Total Enterprise Income	103,426.64
Charges for Current Services	
Copies & Faxes	79.00
Cemetery	
Plots	2,000.00
Total Cemetery	2,000.00
Rent Income	
Auditorium Rental	65.00
Social Hall	130.00
Rent Income - Other	900.00
Total Rent Income	1,095.00
Total Charges for Current Services	3,174.00
Revenue Use of Money & Property	
Interest Income	923.09
Revolving Loan	1,224.21
Total Revenue Use of Money & Property	2,147.30
Miscellaneous Revenue	
Other Income	500.00
Total Miscellaneous Revenue	500.00
Total Income	249,436.83
Gross Profit	249,436.83
Expense	
DSA 796 Fees	3.60

10:14 AM

05/15/19

Accrual Basis

City of Loyaltan
Revenue & Expenses
April 2019

	Apr 19
Utilities	
Internet - Broadband	109.00
Propane	161.45
Electric	9,535.47
Garbage Disposal	141.90
Total Utilities	9,947.82
Equipment Repair & Maintenance	3,541.53
Salaries and Wages	
Workers Comp.	4,483.90
Payroll Tax Expense	1,288.09
Payroll Expense	
Part Time Wages	5,238.43
Payroll Expense - Other	58,210.88
Total Payroll Expense	63,449.31
Salaries and Wages - Other	0.00
Total Salaries and Wages	69,221.30
Employee Benefits	
Nationwide City	226.12
Health Insurance	254.67
Total Employee Benefits	480.79
Services and Supplies	
Postage	249.80
Advertising	198.75
Bank Service Charges	21.00
Contracted Services	
Professional Fees	3,546.00
Legal Fees	580.00
Auditing Expense	1,439.21
Testing	571.00
Contracted Services - Other	24,456.33
Total Contracted Services	30,592.54
Licenses and Permits	70.35
Office Expense	296.89
Operating Supplies	309.44
Telephone	229.02
Training	725.00
Total Services and Supplies	32,692.79
Total Expense	115,887.83
Net Ordinary Income	133,549.00
Other Income/Expense	
Other Expense	
Transfers Out	77,713.28
Total Other Expense	77,713.28
Net Other Income	-77,713.28
Net Income	55,835.72

City of Loyaltan
Financial Report
 As of April 30, 2019

	Apr 30, 19
ASSETS	
Current Assets	
Checking/Savings	
Enterprise Loan MM 0559	380,292.28
General Funds	
General Checking 1956- NEW	140,262.63
General Contingency Saving 0322	129,950.94
Total General Funds	270,213.57
Designated Funds	
WWTP Settlement MM 4387 (New)	2,684,558.69
Fire Dept. Reserve 7243	148,154.56
WWTP Construction 1990	3,713.38
Community Dev Block Grant 0059	10,584.73
Total Designated Funds	2,847,011.36
Cash Drawer	450.00
Total Checking/Savings	3,497,967.21
Accounts Receivable	
Accounts Receivable	44,156.23
Total Accounts Receivable	44,156.23
Other Current Assets	
Grants Receivable	-79,061.19
CDBG Loans Receivable	14,104.53
Due From Other Funds	389,174.04
Due From Sewer Fund	-30,000.00
Accounts Receivable- Government	
Accounts Receivable (State of C	-40.82
General Accounts Receivable	-600.00
Accounts Receivable- Government - Other	-100.00
Total Accounts Receivable- Government	-740.82
Accounts Receivable- Proprietar	
Reserve for Bad Debt	-188,104.18
Accts Receivable- Late Fees Wat	4,935.42
Accts Receivable- Late Fees Sew	12,260.73
Sewer Ent. Accounts Receivable	289,364.60
Water Ent. Accounts Receivable	
Reconnect fee	-724.10
Water Ent. Accounts Receivable - Other	158,011.11
Total Water Ent. Accounts Receivable	157,287.01
Total Accounts Receivable- Proprietar	275,743.58
Undeposited Funds	65.00
Total Other Current Assets	569,285.14
Total Current Assets	4,111,408.58

City of Loyaltan
Financial Report
 As of April 30, 2019

	Apr 30, 19
Fixed Assets	
Fixed Assets	
Construction in Progress	238,826.18
Land	352,112.00
Buildings	1,029,606.34
Improvements	11,667,426.16
Machinery and Equipment	1,348,347.69
Accumulated Depreciation	-4,619,593.00
Total Fixed Assets	10,016,725.37
Total Fixed Assets	10,016,725.37
TOTAL ASSETS	14,128,133.95
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	12,636.30
Total Accounts Payable	12,636.30
Other Current Liabilities	
Current Portion-Long Term Debt	-123,505.60
Due to Other Governments	21,899.66
Due to Other Funds	389,174.04
Sales Tax Payable	-1,335.00
J. Cussins Converted Sick Liabi	29,559.02
Due to General Fund	-30,000.00
Accrued Bond Interest Payable	59,544.70
Accrued Payroll	
Propriety Accrued Payroll	
Water Ent. Accrued Payroll	132.51
Sewer Ent. Accrued Payroll	335.51
Total Propriety Accrued Payroll	468.02
Governmental Accrued Payroll	5.67
Total Accrued Payroll	473.69
Customer Deposits	200.00
Payroll Liabilities	
Employee Liability Deductions	-3,030.87
State Taxes	132.78
Federal Taxes	-284.23
Payroll Liabilities - Other	10,877.87
Total Payroll Liabilities	7,695.55
Total Other Current Liabilities	353,706.06
Total Current Liabilities	366,342.36
Long Term Liabilities	
John Deere Credit Payable70422	-0.03
John Deere Credit Payable 5215	21,284.56
Bonds Payable	
USDA 92-07	3,215,000.00
Note Payable- Water Proj 91-05	978,400.00
USDA Sewer 92-01	835,338.00
USDA Sewer 92-03	124,491.00
Total Bonds Payable	5,153,229.00
Total Long Term Liabilities	5,174,513.53
Total Liabilities	5,540,855.89

City of Loyaltan
Financial Report
As of April 30, 2019

	<u>Apr 30, 19</u>
Equity	
Unassigned (Fund Equity)	199,791.14
Reserved Funds	32,967.98
Invested in Fixed Assets	4,956,179.67
Unreserved Fund Balance	2,892,101.75
Net Income	506,237.52
Total Equity	<u>8,587,278.06</u>
TOTAL LIABILITIES & EQUITY	<u>14,128,133.95</u>

City of Loyaltyon
MUSEUM

July 1, 2015 through May 15, 2019

	Museums 9410 (General Fund)	Total General Fund	TOTAL
Ordinary Income/Expense			
Income			
Transfer In (2015-2016 Budget)	3,113.00	3,113.00	3,113.00
Donations	7,253.41	7,253.41	7,253.41
Total Income	10,366.41	10,366.41	10,366.41
Gross Profit	10,366.41	10,366.41	10,366.41
Expense			
Small Tools & Equipment	403.75	403.75	403.75
Repairs & Maintenance	206.22	206.22	206.22
Utilities			
Security	820.00	820.00	820.00
Propane	4,581.08	4,581.08	4,581.08
Electric	1,422.82	1,422.82	1,422.82
Garbage Disposal	201.13	201.13	201.13
Total Utilities	7,025.03	7,025.03	7,025.03
Taxes			
Solid Waste Benefit Assessment	290.05	290.05	290.05
Taxes - Other	3.84	3.84	3.84
Total Taxes	293.89	293.89	293.89
Salaries and Wages			
Payroll Tax Expense	26.88	26.88	26.88
Payroll Expense			
Part Time Wages	221.86	221.86	221.86
Payroll Expense - Other	58.00	58.00	58.00
Total Payroll Expense	279.86	279.86	279.86
Total Salaries and Wages	306.74	306.74	306.74
Services and Supplies			
Postage	11.76	11.76	11.76
Automobile Expense			
Fuel	47.29	47.29	47.29
Total Automobile Expense	47.29	47.29	47.29
Dues and Subscriptions	35.00	35.00	35.00
Insurance	192.45	192.45	192.45

City of Loyaltan
MUSEUM

July 1, 2015 through May 15, 2019

	Museums 9410 (General Fund)	Total General Fund	TOTAL
Miscellaneous	21.31	21.31	21.31
Office Expense	(403.07)	512.29	512.29
Operating Supplies	161.85	161.85	161.85
Services and Supplies - Other	(1,015.42)	1,061.35	1,061.35
Total Services and Supplies	2,043.30	2,043.30	2,043.30
Total Expense	(1,418.49)	10,278.93	10,278.93
Net Ordinary Income	87.48	87.48	87.48
Other Income/Expense			
Other Expense			
Capital Outlay			
Professional Fees	250.00	250.00	250.00
Total Capital Outlay	250.00	250.00	250.00
Total Other Expense	250.00	250.00	250.00
Net Other Income	(250.00)	(250.00)	(250.00)
Net Income	(8,677.92)	(162.52)	(162.52)

12:24 PM

05/15/19

Accrual Basis

City of Loyaltyon Revenue & Expenditures July 1, 2015 through May 15, 2019

Type	Date	Num	Adj	Name	Memo	Class	Clr	Split	Debit	Credit	Balance
Services and Supplies											
Office Expense											
Credit Card Charge	07/24/2015			Walmart	Auditorium Cu...	General F...		BofA CC 6111-...	322.46		322.46
Credit Card Charge	08/03/2015	48615...		Walmart	Auditorium Cu...	General F...		BofA CC 6111-...	80.61		403.07
Bill	09/23/2015	2015211		Bullet Information T...	12.5 Museum...	General F...		Accounts Paya...	70.00		473.07
Invoice	01/29/2017	1733		MUSEUM	Photo Sales - ...	General F...		Accounts Rece...		39.00	434.07
Bill	04/12/2017	30397		Flag Store	1 US Flag	General F...		Accounts Paya...	78.22		512.29
Total Office Expense									551.29	39.00	512.29
Total Services and Supplies									551.29	39.00	512.29
TOTAL									551.29	39.00	512.29

Handwritten notes: a checkmark and the number '53' with an arrow pointing to the 39.00 credit entry.

City of Loyalton
Revenue & Expenditures
 July 1, 2015 through May 15, 2019

12:19 PM
 05/15/19
 Accrual Basis

Type	Date	Num	Adj	Name	Memo	Class	Clr	Split	Debit	Credit	Balance
Services and Supplies											
Bill	07/23/2015	24589		Flag Store	1 US Flag for ...	General F...		Accounts Paya...	83.20		83.20
Bill	07/31/2015	137645		Sierra Valley Home ...	Shower Curtal...	General F...		Accounts Paya...	16.06		99.26
Bill	03/25/2016	Granit...		Brooks Mitchell	Landscape Fa...	General F...		Accounts Paya...	392.66		491.92
Bill	05/31/2016			Petty Cash - (Barbar...	-MULTIPLE-	General F...		Accounts Paya...	43.30		535.22
Bill	10/24/2016			Petty Cash - (Barbar...	Picture Frame	General F...		Accounts Paya...	2.63		537.85
Bill	01/05/2017			Petty Cash - (Barbar...	piano bench f...	General F...		Accounts Paya...	53.86		591.71
Bill	02/03/2017	Museu...		Brooks Mitchell	Books for Mu...	General F...		Accounts Paya...	101.54		693.25
Bill	03/24/2017	Big Fr...		Kenton McHenry	30 T Shirts	General F...		Accounts Paya...	368.10		1,061.35
Total Services and Supplies									1,061.35	0.00	1,061.35
TOTAL									1,061.35	0.00	1,061.35

City of Loyalton
Revenue & Expenditures
July 1, 2015 through May 15, 2019

12:20 PM
 05/15/19
 Accrual Basis

Type	Date	Name	Memo	Class	Clr	Split	Debit	Credit	Balance
Capital Outlay									
Professional Fees									
Bill	05/24/2017	Ryan S. Northrup	Museum Web..	General F...		Accounts Paya...	250.00		250.00
Total Professional Fees							250.00	0.00	250.00
Total Capital Outlay							250.00	0.00	250.00
TOTAL							250.00	0.00	250.00

Kathy LeBlanc

From: Alexa Kinsinger [akinsinger@farrwestengineering.com]
Sent: Monday, May 13, 2019 2:49 PM
To: Kathy LeBlanc
Cc: bkkpr2-cityofloyalton@psln.com; Jessica Dugan
Subject: CEQA NOE to add to City Council Meeting Agenda
Attachments: Beckwith_Resolution for NOE CEQA.pdf; Loyalton_NOE_pdf.pdf

Hi Kathy,

Please add the attached Resolution for CEQA exemption for the Beckwith Pavement Repair project for review and vote at the May 21st City Council meeting. If approved by the council this resolution will need to be signed by the mayor and city clerk. If the council approves the resolution, then the mayor will need to also sign the attached notice of exemption (NOE) document.

Once both have been signed please hold them in City Hall for me to pick up. I have to come up to Loyalton next week for the pond liner leak detection testing and will coordinate a day and time to pick them up with you by the end of next week.

Please let me know if you need anything else or if you are unable to get this item added to the agenda.

Have a great day!

Thanks,
Alexa



Alexa Kinsinger, EI
Project Designer
Farr West Engineering
5510 Longley Lane
Reno, NV 89511

Main: (775) 851-4788
Direct: (775) 997-7491
Fax: (775) 851-0766
www.farrwestengineering.com



**COMMERCIAL PROPERTY PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**

(NON-RESIDENTIAL)
(C.A.R. Form CPA, Revised 12/18)

Date Prepared: 4/23/19

1. OFFER:

- A. **THIS IS AN OFFER FROM** Tim Korte ("Buyer").
 Individual(s), A Corporation, A Partnership, An LLC, An LLP, or Other other entity controlled by Tim Korte.
- B. **THE REAL PROPERTY** to be acquired is 205 Hill Road, situated in Loyalton (City), (County), California, 96118 (Zip Code), Assessor's Parcel No. 07-120,006 ("Property").
- C. **THE PURCHASE PRICE** offered is ~~Two Hundred Thousand~~ 180,000 Dollars ~~\$200,000.00~~ 180,000.
- D. **CLOSE OF ESCROW** shall occur on (date) (or 60 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 confirmed for this transaction:
Seller's Brokerage Firm NAI Capital License Number 01990696
 Is the broker of (check one): the seller; or both the buyer and seller. (dual agent)
Seller's Agent Steve Heri License Number 00477500
 Is (check one): the Seller's Agent. (salesperson or broker associate) | both the Buyer's and Seller's Agent. (dual agent)
- Buyer's Brokerage Firm** NAI Capital License Number 01990696
 Is the broker of (check one): the buyer; or both the buyer and seller. (dual agent)
Buyer's Agent Steve Heri License Number 00477500
 Is (check one): the Buyer's Agent. (salesperson or broker associate) | both the Buyer's and Seller's Agent. (dual agent)
- 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 \$ 50,000.00
 (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 deposit 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 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.
- E. **ADDITIONAL FINANCING TERMS:**
- F. **BALANCE OF DOWN PAYMENT OR PURCHASE PRICE** in the amount of \$ 150,000.00
 to be deposited with Escrow Holder pursuant to Escrow Holder instructions.
- G. **PURCHASE PRICE (TOTAL):** \$ 180,000
200,000.00

Buyer's Initials ()
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 CPA REVISED 12/18 (PAGE 1 OF 11)

Seller's Initials () ()



COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 1 OF 11)

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, not the initial loan rate. Buyer shall, as specified in paragraph 14B(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 18, 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.

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. ADDENDA AND ADVISORIES:

A. ADDENDA:		<input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM)
<input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO)	<input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA)	
<input type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)	<input type="checkbox"/> Other _____	
<input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA)		

B. BUYER AND SELLER ADVISORIES:		<input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA)
<input type="checkbox"/> Probate Advisory (C.A.R. Form PA)	<input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)	
<input type="checkbox"/> Trust Advisory (C.A.R. Form TA)	<input type="checkbox"/> REO Advisory (C.A.R. Form REO)	
<input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA)	<input checked="" type="checkbox"/> Other <u>Subject to Court Approval</u>	

6. OTHER TERMS: Subject to court approval. Buyer has 30 days to complete Due Diligence on said property

7. 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 any reliable

(2) Buyer Seller shall pay for the following Report _____ prepared by _____

(3) Buyer Seller shall pay for the following Report _____ prepared by _____

Buyer's Initials PK () ()

Seller's Initials () ()



B. GOVERNMENT REQUIREMENTS AND RETROFIT:

- (1) [X] Buyer [] Seller shall pay for smoke alarm and carbon monoxide device installation and water heater bracing, if required by Law. Prior to Close Of Escrow ("COE"), Seller shall provide Buyer written statement(s) of compliance in accordance with state and local Law, unless Seller is exempt.
(2) (i) [X] Buyer [] Seller shall pay the cost of compliance with any other minimum mandatory government inspections and reports if required as a condition of closing escrow under any Law.
(ii) [X] Buyer [] Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards required as a condition of closing escrow under any Law, whether the work is required to be completed before or after COE.
(iii) Buyer shall be provided, within the time specified in paragraph 18A, a copy of any required government conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

C. ESCROW AND TITLE:

- (1) (a) [X] Buyer [X] Seller shall pay escrow fee each to pay one half of escrow fee
(b) Escrow Holder shall be sellers choice
(c) The Parties shall, within 5 (or) Days After receipt, sign and return Escrow Holder's general provisions.
(2) (a) [] Buyer [X] Seller shall pay for owner's title insurance policy specified in paragraph 17E
(b) Owner's title policy to be issued by sellers choice
(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

D. OTHER COSTS:

- (1) [] Buyer [X] Seller shall pay County transfer tax or fee
(2) [] Buyer [X] Seller shall pay City transfer tax or fee
(3) [] Buyer [] Seller shall pay Owners' Association ("OA") transfer fee none
(4) Seller shall pay OA fees for preparing all documents required to be delivered by Civil Code §4525.
(5) [] Buyer [] Seller shall pay OA fees for preparing all documents other than those required by Civil Code §4525.
(6) Buyer to pay for any HOA certification fee.
(7) [] Buyer [] Seller shall pay for any private transfer fee
(8) [] Buyer [] Seller shall pay for
(9) [] Buyer [] Seller shall pay for

8. 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 paragraph 8 B, C or D.

B. ITEMS INCLUDED IN SALE:

- (1) All EXISTING fixtures and fittings that are attached to the Property,
(2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remotes, controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms.
(3) A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer within the time specified in paragraph 18A.
(4) Seller represents that all items included in the purchase price are, unless otherwise specified or identified pursuant to 8B(7), owned by Seller. Within the time specified in paragraph 18A, Seller shall give Buyer a list of fixtures not owned by Seller.
(5) Seller shall deliver title to the personal property by Bill of Sale, free and clear of all liens and encumbrances, and without seller warranty of condition regardless of value.
(6) As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and insurance proceeds.
(7) LEASED OR LIENED ITEMS AND SYSTEMS: Seller shall, within the time specified in paragraph 18A, (i) disclose to Buyer if any item or system specified in paragraph 8B or otherwise included in the sale is leased, or not owned by Seller, or specifically subject to a lien or other encumbrance, and (ii) Deliver to Buyer all written materials (such as lease, warranty, etc.) concerning any such item. Buyer's ability to assume any such lease, or willingness to accept the Property subject to any such lien or encumbrance, is a contingency in favor of Buyer and Seller as specified in paragraph 18B and C.

C. ITEMS EXCLUDED FROM SALE: Unless otherwise specified, the following items are excluded from sale:

D. OTHER ITEMS:

- (1) Existing integrated phone and automation systems, including necessary components such as intranet and Internet-connected hardware or devices, control units (other than non-dedicated mobile devices, electronics and computers) and applicable software, permissions, passwords, codes and access information, are () are NOT included in the sale.

9. CLOSING AND POSSESSION:

- A. Seller-occupied or vacant property: Possession shall be delivered to Buyer: (i) [X] 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
B. Seller Remaining in Possession After Close Of Escrow: If Seller has the right to remain in possession after Close Of Escrow, (i) the Parties are advised to sign a separate occupancy agreement such as C.A.R. Form CL; and (ii) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; and (iii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan.
C. Tenant Occupied Units: Possession and occupancy, subject to the rights of tenants under existing leases, shall be delivered to Buyer, on Close Of Escrow.

Buyer's Initials () ()
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Seller's Initials () ()



- D. At Close Of Escrow: (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale; and (ii) Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.
- E. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems and intranet and Internet-connected devices included in the purchase price, and garage door openers. If the Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Owners' Association ("OA") to obtain keys to accessible OA facilities.
- 10. SECURITY DEPOSITS: Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current Law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, in compliance with the Civil Code.
- 11. SELLER DISCLOSURES:
 - A. NATURAL AND ENVIRONMENTAL DISCLOSURES: Seller shall, within the time specified in paragraph 18, if required by Law: (i) Deliver to Buyer earthquake guides (and questionnaire) and environmental hazards booklet; (ii) even if exempt from the obligation to provide an NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
 - B. ADDITIONAL DISCLOSURES: Within the time specified in paragraph 18, Seller shall Deliver to Buyer, in writing, the following disclosures, documentation and information:
 - (1) RENTAL SERVICE AGREEMENTS: (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; and (ii) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
 - (2) INCOME AND EXPENSE STATEMENTS: The books and records, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business, and used by Seller in the computation of federal and state income tax returns.
 - (3) TENANT ESTOPPEL CERTIFICATES: (If checked) 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.
 - (4) SURVEYS, PLANS AND ENGINEERING DOCUMENTS: Copies of surveys, plans, specifications and engineering documents, if any, in Seller's possession or control.
 - (5) PERMITS: If in Seller's possession, Copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.
 - (6) STRUCTURAL MODIFICATIONS: Any known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.
 - (7) GOVERNMENTAL COMPLIANCE: Any improvements, additions, alterations or repairs made by Seller, or known to Seller to have been made, without required governmental permits, final inspections, and approvals.
 - (8) VIOLATION NOTICES: Any notice of violations of any Law filed or issued against the Property and actually known to Seller.
 - (9) WATER CONSERVING PLUMBING DEVICES: Section 1101.5 of the Civil Code, requires that by January 1, 2019, all multi-family residential and commercial real property be equipped with water-conserving plumbing devices. Seller shall disclose in writing whether the property includes any noncompliant plumbing fixtures. Seller may use C.A.R. Form SPQ or ESD. See C.A.R. Form WCMD for further information.
 - (10) MISCELLANEOUS ITEMS: Any of the following, if actually known to Seller: (i) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (ii) any unsatisfied mechanic's or materialman's lien(s) affecting the Property; and (iii) that any tenant of the Property is the subject of a bankruptcy.
 - C. WITHHOLDING TAXES: Within the time specified in paragraph 18A, 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).
 - 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.
 - (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 OA (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 OA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of OA minutes for regular and special meetings; and (v) the names and contact information of all OAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the OA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 18B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to OA or management company to pay for any of the above.

Buyer's Initials (_____) (_____)

Seller's Initials (_____) (_____)



- 12. ENVIRONMENTAL SURVEY (If checked): Within 30 Days After Acceptance, Buyer shall be provided a phase one environmental survey report paid for and obtained by Buyer Seller. Buyer shall then, as specified in paragraph 18, remove this contingency or cancel this Agreement.
- 13. **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 Deliver a subsequent or amended disclosure or notice in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.
- 14. **CHANGES DURING ESCROW:**
 - A. Prior to Close Of Escrow, Seller may only engage in the following acts, ("Proposed Changes"), subject to Buyer's rights in paragraph 14B: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify, or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.
 - B. (1) 7 (or) Days prior to any Proposed Changes, Seller shall Deliver written notice to Buyer of any Proposed Changes. (2) 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.
- 15. **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 18A, 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 18B, 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.**
- 16. **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 18B. Within the time specified in paragraph 18B(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. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company, shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; (v) review and seek approval of leases that may need to be assumed by Buyer, and (vi) 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 required to prepare a Pest Control Report, 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 18B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
 - C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.
 - D. **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. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility"(C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.
- 17. **TITLE AND VESTING:**
 - A. Within the time specified in paragraph 18, 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 18B. 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 18A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.

Buyer's Initials [Signature] () ()

Seller's Initials () ()



- 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 standard coverage owners CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.
- 18. 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 5A, 6, 7, 8B(7), 11A, B, C, D and F, 12, 15A and 17A. 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 30) Days After Acceptance, unless otherwise agreed in writing, to:
 - (i) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(7) and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property.
 - (2) Within the time specified in paragraph 18B(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 18B(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 18A, then Buyer has 5 (or ___) Days After Delivery of any such items, or the time specified in paragraph 18B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.
 - (4) Continuation of Contingency: Even after the end of the time specified in paragraph 18B(1) and before Seller cancels, if at all, pursuant to paragraph 18C, 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 18C(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 letter as required by paragraph 3J(1); (iii) Deliver verification as required by paragraph 3C or 3H or if Seller reasonably disapproves of the verification provided by paragraph 3C or 3H, or (iv) In writing assume or accept leases or liens specified in 8B(7); (v) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 25B; or (vi) Provide evidence of authority to sign in a representative capacity as specified in paragraph 23. 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 18.
 - 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 disbursement 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).

Buyer's Initials (TR) ()

Seller's Initials () ()



- 19. **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.
- 20. **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 15 (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).
- 21. **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, OA 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 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.
- 22. **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. **BROKERAGE:** Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify, defend, and hold the other, the Brokers specified herein and their agents, harmless from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representations in this paragraph.
 - C. **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.
- 23. **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 40 or 41 and attach a Representative Capacity Signature Disclosure (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).
- 24. **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, 5A, 6, 7, 10, 11D, 17, 18G, 21, 22A, 23, 24, 30, 38, 39, 41, 42 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 22A, or paragraph D of the section titled Real Estate Brokers on page 11 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 7C(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 7, 11 or elsewhere in this Agreement.

Buyer's Initials  ()

Seller's Initials () ()

CPA REVISED 12/18 (PAGE 7 OF 11)

COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 7 OF 11)

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Untitled



- 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 10C, 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 22A and paragraph D of the section titled Real Estate Brokers on page 11. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 22A, 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.

25. 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 impracticable and 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 PK / _____

Seller's Initials _____ / _____

26. 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 26C.

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 26C.

"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 PK / _____

Seller's Initials _____ / _____

Buyer's Initials () ()

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.
27. **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.
 28. **MULTIPLE LISTING SERVICE/PROPERTY DATA SYSTEM:** If Broker is a participant of a Multiple Listing Service ("MLS") or Property Data System ("PDS"), Broker is authorized to report to the MLS or PDS a pending sale and, upon Close Of Escrow, the terms of this transaction to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS or PDS.
 29. **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 26/
 30. **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 AOOA).
 31. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.
 32. **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 of, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
 33. **AMERICANS WITH DISABILITIES ACT:** The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. The ADA can require, among other things, that buildings be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker does not have the technical expertise to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact an attorney, contractor, architect, engineer or other qualified professional of Buyer's or Seller's own choosing to determine to what degree, if any, the ADA impacts that principal or this transaction.
 34. **COPIES:** Seller and Buyer each represent that Copies of all reports, documents, certificates, approvals and other documents that are furnished to the other are true, correct and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
 35. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
 36. **GOVERNING LAW:** This Agreement shall be governed by the Laws of the state of California.
 37. **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 counter offer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. 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.
 38. **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.**
 39. **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.

Buyer's Initials () ()

Seller's Initials () ()

- 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" or "COE" 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.
40. **AUTHORITY:** Any person or persons signing this Agreement represent(s) that such person has full power and authority to bind that person's principal, and that the designated Buyer and Seller has full authority to enter into and perform this Agreement. Entering into this Agreement, and the completion of the obligations pursuant to this contract, does not violate any Articles of Incorporation, Articles of Organization, By Laws, Operating Agreement, Partnership Agreement or other document governing the activity of either Buyer or Seller.
41. **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 4-29-19 BUYER [Signature]

(Print name) Tim Korte

Date _____ BUYER _____

(Print name) _____

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

42. **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 (BUYER'S) COMPENSATION:** Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS. If Seller's Broker and Buyer's 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.
- E. **PRESENTATION OF OFFER:** Pursuant to Standard of Practice 1-7, if Buyer's Broker makes a written request, Seller's Broker shall confirm in writing that this offer has been presented to Seller.

Buyer's Brokerage Firm NAI Capital DRE Lic. # 01990696

By Steve Heri DRE Lic. # 00477500 Date _____

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Seller's Brokerage Firm NAI Capital DRE Lic. # 01990696

By Steve Heri DRE Lic. # 00477500 Date _____

By _____ DRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

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 24 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, Department 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

Buyer's Initials (SH) (_____)

Seller's Initials (_____) (_____)

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BUYER'S INSPECTION ADVISORY

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

Property Address **205 Hill Road, Loyalton, Cal 96118**

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 Tim Korte Buyer _____

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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, Revised 12/18)

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 dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the buyer's or seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the seller's willingness to accept a price less than the listing price or the buyer's willingness to pay a price greater than the price offered; and except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.

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 	Tim Korte Date <u>4-29-19</u>
Buyer _____	Date _____
Buyer's Brokerage Firm <u>NAI Capital</u>	DRE Lic # <u>01990696</u> Date _____
By <u>Steve Heri</u>	DRE Lic # <u>00477500</u> Date _____
Seller's Brokerage Firm <u>NAI Capital</u>	DRE Lic # <u>01990696</u> Date _____
By <u>Steve Heri</u>	DRE Lic # <u>00477500</u> Date _____

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PRBS REVISED 12/18 (PAGE 1 OF 1)

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



DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(Buyer's Brokerage Firm to Buyer)
(As required by the Civil Code)
(C.A.R. Form AD, Revised 12/18)

(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(j), (k) and (l).

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

SELLER'S AGENT

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

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

To the Buyer and the Seller:

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

BUYER'S AGENT

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

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

To the Buyer and the Seller:

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

AGENT REPRESENTING BOTH SELLER AND BUYER

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

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

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

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

SELLER AND BUYER RESPONSIBILITIES

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

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

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

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

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of 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 _____ Date 4-25-2019

Tim Korte

Buyer Seller Landlord Tenant _____ Date _____

Agent NAI Capital DRE Lic. # 01990696
Real Estate Broker (Firm)

By _____ DRE Lic. # 00477500 Date _____
(Salesperson or Broker-Associate, if any) Steve Heri



CIVIL CODE SECTIONS 2079.13 – 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with 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. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. (b) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. (c) "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. (d) "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. (e) "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. (f) "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. (g) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. (h) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (i) "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. (j) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (k) "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. (l) "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. (m) "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. (n) "Buyer's agent" means an agent who represents a buyer in a real property transaction.

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

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

2079.16. Reproduced on Page 1 of this AD form.

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

CONFIRMATION: The following agency relationships are confirmed for this transaction:

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

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

2079.18 (Repealed pursuant to AB-1289)

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

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

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

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

2079.23 A 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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AD REVISED 12/18 (PAGE 2 OF 2)

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

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Untitled



WIRE FRAUD AND ELECTRONIC FUNDS TRANSFER ADVISORY (C.A.R. Form WFA, Revised 12/17)

Property Address: 205 Hill Road, Loyalton, Cal 96118 ("Property").

WIRE FRAUD AND ELECTRONIC FUNDS TRANSFERS ADVISORY:

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

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

ACCORDINGLY, YOU ARE ADVISED:

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

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

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

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

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

NOTE: There are existing alternatives to electronic and wired fund transfers such as cashier's checks. By signing below, the undersigned acknowledge that each has read, understands and has received a copy of this Wire Fraud and Electronic Funds Transfer Advisory.

Buyer/Tenant [Signature] Tim Korte Date 9-29-19
Buyer/Tenant Date
Seller/Landlord Date
Seller/Landlord Date

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WFA REVISED 12/17 (PAGE 1 OF 1)

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





COMMERCIAL PROPERTY PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (NON-RESIDENTIAL) (C.A.R. Form CPA, Revised 12/18)

Date Prepared: 4/23/19

1. OFFER:

- A. THIS IS AN OFFER FROM Tim Korte ("Buyer").
B. THE REAL PROPERTY to be acquired is 205 Hill Road, Loyalton (City), (County), California, 96118 (Zip Code), Assessor's Parcel No. 07-120,006& ("Property").
C. THE PURCHASE PRICE offered is Two Hundred Thousand 180,000 Dollars \$200,000.00 - 180,000.00
D. CLOSE OF ESCROW shall occur on (date) or 60 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 X "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD)
B. CONFIRMATION: The following agency relationships are confirmed for this transaction:
Seller's Brokerage Firm NAI Capital License Number 01990696
Is the broker of (check one): the seller, or both the buyer and seller. (dual agent)
Seller's Agent Steve Heri License Number 00477500
Is (check one): the Seller's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)
Buyer's Brokerage Firm NAI Capital License Number 01990696
Is the broker of (check one): the buyer, or both the buyer and seller. (dual agent)
Buyer's Agent Steve Heri License Number 00477500
Is (check one): the Buyer's Agent. (salesperson or broker associate) both the Buyer's and Seller's Agent. (dual agent)

- C. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a X "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 \$ 50,000.00
(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, X 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 deposit 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. X 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 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.

E. ADDITIONAL FINANCING TERMS:

- F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of \$ 150,000.00 to be deposited with Escrow Holder pursuant to Escrow Holder instructions.
G. PURCHASE PRICE (TOTAL): \$ 180,000.00 - 200,000.00

Buyer's Initials () ()
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CPA REVISED 12/18 (PAGE 1 OF 11)

Seller's Initials () ()



COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 1 OF 11)

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 14B(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 18, 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.

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. **ADDENDA AND ADVISORIES:**

- A. **ADDENDA:**

<input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM)	
<input type="checkbox"/> Back Up Offer Addendum (C.A.R. Form BUO)	<input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA)
<input type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)	
<input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA)	<input type="checkbox"/> Other _____

- B. **BUYER AND SELLER ADVISORIES:**

<input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA)	
<input type="checkbox"/> Probate Advisory (C.A.R. Form PA)	<input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
<input type="checkbox"/> Trust Advisory (C.A.R. Form TA)	<input type="checkbox"/> REO Advisory (C.A.R. Form REO)
<input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA)	<input checked="" type="checkbox"/> Other <u>Subject to Court Approval</u>

6. **OTHER TERMS:** Subject to court approval. Buyer has 30 days to complete Due Diligence on said property

7. **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 any reliable
- (2) Buyer Seller shall pay for the following Report _____ prepared by _____
- (3) Buyer Seller shall pay for the following Report _____ prepared by _____

Buyer's Initials PK () ()

Seller's Initials () ()



B. GOVERNMENT REQUIREMENTS AND RETROFIT:

- (1) [X] Buyer [] Seller shall pay for smoke alarm and carbon monoxide device installation and water heater bracing, if required by Law. Prior to Close Of Escrow ("COE"), Seller shall provide Buyer written statement(s) of compliance in accordance with state and local Law, unless Seller is exempt.
(2) (i) [X] Buyer [] Seller shall pay the cost of compliance with any other minimum mandatory government inspections and reports if required as a condition of closing escrow under any Law.
(ii) [X] Buyer [] Seller shall pay the cost of compliance with any other minimum mandatory government retrofit standards required as a condition of closing escrow under any Law, whether the work is required to be completed before or after COE.
(iii) Buyer shall be provided, within the time specified in paragraph 18A, a copy of any required government conducted or point-of-sale inspection report prepared pursuant to this Agreement or in anticipation of this sale of the Property.

C. ESCROW AND TITLE:

- (1) (a) [X] Buyer [X] Seller shall pay escrow fee each to pay one half of escrow fee
(b) Escrow Holder shall be sellers choice
(c) The Parties shall, within 5 (or) Days After receipt, sign and return Escrow Holder's general provisions.
(2) (a) [] Buyer [X] Seller shall pay for owner's title insurance policy specified in paragraph 17E
(b) Owner's title policy to be issued by sellers choice
(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

D. OTHER COSTS:

- (1) [] Buyer [X] Seller shall pay County transfer tax or fee
(2) [] Buyer [X] Seller shall pay City transfer tax or fee
(3) [] Buyer [] Seller shall pay Owners' Association ("OA") transfer fee none
(4) Seller shall pay OA fees for preparing all documents required to be delivered by Civil Code §4525.
(5) [] Buyer [] Seller shall pay OA fees for preparing all documents other than those required by Civil Code §4525.
(6) Buyer to pay for any HOA certification fee.
(7) [] Buyer [] Seller shall pay for any private transfer fee
(8) [] Buyer [] Seller shall pay for
(9) [] Buyer [] Seller shall pay for

8. 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 paragraph 8 B, C or D.

B. ITEMS INCLUDED IN SALE:

- (1) All EXISTING fixtures and fittings that are attached to the Property;
(2) EXISTING electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fans, fireplace inserts, gas logs and grates, solar power systems, built-in appliances, window and door screens, awnings, shutters, window coverings, attached floor coverings, television antennas, satellite dishes, air coolers/conditioners, pool/spa equipment, garage door openers/remote controls, mailbox, in-ground landscaping, trees/shrubs, water features and fountains, water softeners, water purifiers, security systems/alarms.
(3) A complete inventory of all personal property of Seller currently used in the operation of the Property and included in the purchase price shall be delivered to Buyer within the time specified in paragraph 18A.
(4) Seller represents that all items included in the purchase price are, unless otherwise specified or identified pursuant to 8B(7), owned by Seller. Within the time specified in paragraph 18A, Seller shall give Buyer a list of fixtures not owned by Seller.
(5) Seller shall deliver title to the personal property by Bill of Sale, free and clear of all liens and encumbrances, and without seller warranty of condition regardless of value.
(6) As additional security for any note in favor of Seller for any part of the purchase price, Buyer shall execute a UCC-1 Financing Statement to be filed with the Secretary of State, covering the personal property included in the purchase, replacement thereof, and insurance proceeds.
(7) LEASED OR LIENED ITEMS AND SYSTEMS: Seller shall, within the time specified in paragraph 18A, (i) disclose to Buyer if any item or system specified in paragraph 8B or otherwise included in the sale is leased, or not owned by Seller, or specifically subject to a lien or other encumbrance, and (ii) Deliver to Buyer all written materials (such as lease, warranty, etc.) concerning any such item. Buyer's ability to assume any such lease, or willingness to accept the Property subject to any such lien or encumbrance, is a contingency in favor of Buyer and Seller as specified in paragraph 18B and C.

C. ITEMS EXCLUDED FROM SALE: Unless otherwise specified, the following items are excluded from sale:

D. OTHER ITEMS:

- (1) Existing integrated phone and automation systems, including necessary components such as intranet and Internet-connected hardware or devices, control units (other than non-dedicated mobile devices, electronics and computers) and applicable software, permissions, passwords, codes and access information, are ([] are NOT) included in the sale.

9. CLOSING AND POSSESSION:

- A. Seller-occupied or vacant property: Possession shall be delivered to Buyer: (i) [X] 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
B. Seller Remaining in Possession After Close Of Escrow: If Seller has the right to remain in possession after Close Of Escrow, (i) the Parties are advised to sign a separate occupancy agreement such as [] C.A.R. Form CL; and (ii) the Parties are advised to consult with their insurance and legal advisors for information about liability and damage or injury to persons and personal and real property; and (iii) Buyer is advised to consult with Buyer's lender about the impact of Seller's occupancy on Buyer's loan.
C. Tenant Occupied Units: Possession and occupancy, subject to the rights of tenants under existing leases, shall be delivered to Buyer on Close Of Escrow.

Buyer's Initials ([]) ([])
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Seller's Initials ([]) ([])



- D. At Close Of Escrow: (i) Seller assigns to Buyer any assignable warranty rights for items included in the sale, and (ii) Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.
- E. At Close Of Escrow, unless otherwise agreed in writing, Seller shall provide keys, passwords, codes and/or means to operate all locks, mailboxes, security systems, alarms, home automation systems and intranet and Internet-connected devices included in the purchase price, and garage door openers. If the Property is a condominium or located in a common interest subdivision, Buyer may be required to pay a deposit to the Owners' Association ("OA") to obtain keys to accessible OA facilities.
- 10. **SECURITY DEPOSITS:** Security deposits, if any, to the extent they have not been applied by Seller in accordance with any rental agreement and current Law, shall be transferred to Buyer on Close Of Escrow. Seller shall notify each tenant, in compliance with the Civil Code.
- 11. **SELLER DISCLOSURES:**
 - A. **NATURAL AND ENVIRONMENTAL DISCLOSURES:** Seller shall, within the time specified in paragraph 18, if required by Law: (i) Deliver to Buyer earthquake guides (and questionnaire) and environmental hazards booklet; (ii) even if exempt from the obligation to provide an NHD, disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
 - B. **ADDITIONAL DISCLOSURES:** Within the time specified in paragraph 18, Seller shall Deliver to Buyer, in writing, the following disclosures, documentation and information:
 - (1) **RENTAL SERVICE AGREEMENTS:** (i) All current leases, rental agreements, service contracts, and other agreements pertaining to the operation of the Property; and (ii) a rental statement including names of tenants, rental rates, period of rental, date of last rent increase, security deposits, rental concessions, rebates, or other benefits, if any, and a list of delinquent rents and their duration. Seller represents that no tenant is entitled to any concession, rebate, or other benefit, except as set forth in these documents.
 - (2) **INCOME AND EXPENSE STATEMENTS:** The books and records, including a statement of income and expense for the 12 months preceding Acceptance. Seller represents that the books and records are those maintained in the ordinary and normal course of business, and used by Seller in the computation of federal and state income tax returns.
 - (3) **TENANT ESTOPPEL CERTIFICATES:** (If checked) 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.
 - (4) **SURVEYS, PLANS AND ENGINEERING DOCUMENTS:** Copies of surveys, plans, specifications and engineering documents, if any, in Seller's possession or control.
 - (5) **PERMITS:** If in Seller's possession, Copies of all permits and approvals concerning the Property, obtained from any governmental entity, including, but not limited to, certificates of occupancy, conditional use permits, development plans, and licenses and permits pertaining to the operation of the Property.
 - (6) **STRUCTURAL MODIFICATIONS:** Any known structural additions or alterations to, or the installation, alteration, repair or replacement of, significant components of the structure(s) upon the Property.
 - (7) **GOVERNMENTAL COMPLIANCE:** Any improvements, additions, alterations or repairs made by Seller, or known to Seller to have been made, without required governmental permits, final inspections, and approvals.
 - (8) **VIOLATION NOTICES:** Any notice of violations of any Law filed or issued against the Property and actually known to Seller.
 - (9) **WATER CONSERVING PLUMBING DEVICES:** Section 1101.5 of the Civil Code, requires that by January 1, 2019, all multi-family residential and commercial real property be equipped with water-conserving plumbing devices. Seller shall disclose in writing whether the property includes any noncompliant plumbing fixtures. Seller may use C.A.R. Form SPQ or ESD. See C.A.R. Form WCMD for further information.
 - (10) **MISCELLANEOUS ITEMS:** Any of the following, if actually known to Seller: (i) any current pending lawsuit(s), investigation(s), inquiry(ies), action(s), or other proceeding(s) affecting the Property, or the right to use and occupy it; (ii) any unsatisfied mechanic's or materialman's lien(s) affecting the Property; and (iii) that any tenant of the Property is the subject of a bankruptcy.
 - C. **WITHHOLDING TAXES:** Within the time specified in paragraph 18A, 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).
 - 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.
 - (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 OA (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 OA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of OA minutes for regular and special meetings; and (v) the names and contact information of all OAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the OA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 18B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to OA or management company to pay for any of the above.

Buyer's Initials ()

Seller's Initials () ()

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COMMERCIAL PROPERTY PURCHASE AGREEMENT (CPA PAGE 4 OF 11)



- 12. ENVIRONMENTAL SURVEY (If checked): Within 30 Days After Acceptance, Buyer shall be provided a phase one environmental survey report paid for and obtained by Buyer Seller. Buyer shall then, as specified in paragraph 18, remove this contingency or cancel this Agreement.
- 13. 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 Deliver a subsequent or amended disclosure or notice in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.
- 14. CHANGES DURING ESCROW:
 - A. Prior to Close Of Escrow, Seller may only engage in the following acts, ("Proposed Changes"), subject to Buyer's rights in paragraph 14B: (i) rent or lease any vacant unit or other part of the premises; (ii) alter, modify, or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.
 - B. (1) 7 (or) Days prior to any Proposed Changes, Seller shall Deliver written notice to Buyer of any Proposed Changes. (2) 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.
- 15. 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 18A, 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 18B, 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.
- 16. 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 18B. Within the time specified in paragraph 18B(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. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; (v) review and seek approval of leases that may need to be assumed by Buyer; and (vi) 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 required to prepare a Pest Control Report; 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 18B, complete Buyer Investigations and either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all such Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
 - C. Seller shall have water, gas, electricity and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.
 - D. 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. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.
- 17. TITLE AND VESTING:
 - A. Within the time specified in paragraph 18, 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 18B. 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 18A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.

Buyer's Initials () ()

Seller's Initials () ()



- 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 standard coverage owners CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.
- 18. 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 5A, 6, 7, 8B(7), 11A, B, C, D and F, 12, 15A and 17A. 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 30) Days After Acceptance**, unless otherwise agreed in writing, to:
 - (i) complete all Buyer Investigations; review all disclosures, reports, lease documents to be assumed by Buyer pursuant to paragraph 8B(7) and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property.
 - (2) Within the time specified in paragraph 18B(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 18B(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 18A, then Buyer has 5 (or ___) Days After Delivery of any such items, or the time specified in paragraph 18B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.
 - (4) **Continuation of Contingency:** Even after the end of the time specified in paragraph 18B(1) and before Seller cancels, if at all, pursuant to paragraph 18C, 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 18C(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 letter as required by paragraph 3J(1); (iii) Deliver verification as required by paragraph 3C or 3H or if Seller reasonably disapproves of the verification provided by paragraph 3C or 3H; or (iv) In writing assume or accept leases or liens specified in 8B(7); (v) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 25B; or (vi) Provide evidence of authority to sign in a representative capacity as specified in paragraph 23. 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 18.
 - 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 disbursement 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).

Buyer's Initials TL ()

Seller's Initials () ()



- 19. **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.
- 20. **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 15; (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)
- 21. **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, OA 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 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.
- 22. **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. **BROKERAGE:** Neither Buyer nor Seller has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as specified in this Agreement, in connection with any act relating to the Property, including, but not limited to, inquiries, introductions, consultations and negotiations leading to this Agreement. Buyer and Seller each agree to indemnify, defend, and hold the other, the Brokers specified herein and their agents, harmless from and against any costs, expenses or liability for compensation claimed inconsistent with the warranty and representations in this paragraph.
 - C. **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.
- 23. **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 40 or 41 and attach a Representative Capacity Signature Disclosure (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).
- 24. **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, 5A, 6, 7, 10, 11D, 17, 18G, 21, 22A, 23, 24, 30, 38, 39, 41, 42 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 22A, or paragraph D of the section titled Real Estate Brokers on page 11 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 7C(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 7, 11 or elsewhere in this Agreement.

Buyer's Initials ()

Seller's Initials () ()



- 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 10C, 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 22A and paragraph D of the section titled Real Estate Brokers on page 11. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 22A, 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.

25. 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 impracticable 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 AK / _____

Seller's Initials _____ / _____

26. 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 26C.

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 26C.

"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 AK / _____

Seller's Initials _____ / _____

Buyer's Initials (____) (____)
CPA REVISED 12/18 (PAGE 8 OF 11)

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.
27. **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.
 28. **MULTIPLE LISTING SERVICE/PROPERTY DATA SYSTEM:** If Broker is a participant of a Multiple Listing Service ("MLS") or Property Data System ("PDS"), Broker is authorized to report to the MLS or PDS a pending sale and, upon Close Of Escrow, the terms of this transaction to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS or PDS.
 29. **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 26A.
 30. **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).
 31. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon, and inure to the benefit of, Buyer and Seller and their respective successors and assigns, except as otherwise provided herein.
 32. **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 of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
 33. **AMERICANS WITH DISABILITIES ACT:** The Americans With Disabilities Act ("ADA") prohibits discrimination against individuals with disabilities. The ADA affects almost all commercial facilities and public accommodations. The ADA can require, among other things, that buildings be made readily accessible to the disabled. Different requirements apply to new construction, alterations to existing buildings, and removal of barriers in existing buildings. Compliance with the ADA may require significant costs. Monetary and injunctive remedies may be incurred if the Property is not in compliance. A real estate broker does not have the technical expertise to determine whether a building is in compliance with ADA requirements, or to advise a principal on those requirements. Buyer and Seller are advised to contact an attorney, contractor, architect, engineer or other qualified professional of Buyer's or Seller's own choosing to determine to what degree, if any, the ADA impacts that principal or this transaction.
 34. **COPIES:** Seller and Buyer each represent that Copies of all reports, documents, certificates approvals and other documents that are furnished to the other are true, correct and unaltered Copies of the original documents, if the originals are in the possession of the furnishing party.
 35. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
 36. **GOVERNING LAW:** This Agreement shall be governed by the Laws of the state of California.
 37. **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 counter offer or addendum. If at least one but not all Parties initial, a counter offer is required until agreement is reached. Seller has the right to continue to offer the Property for sale and to accept any other offer at any time prior to notification of Acceptance. 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.
 38. **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.**
 39. **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.

Buyer's Initials () ()

Seller's Initials () ()

- 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" or "COE" 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.
40. **AUTHORITY:** Any person or persons signing this Agreement represent(s) that such person has full power and authority to bind that person's principal, and that the designated Buyer and Seller has full authority to enter into and perform this Agreement. Entering into this Agreement, and the completion of the obligations pursuant to this contract, does not violate any Articles of Incorporation, Articles of Organization, By Laws, Operating Agreement, Partnership Agreement or other document governing the activity of either Buyer or Seller.
41. **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 4-29-19 BUYER [Signature]

(Print name) Tim Korte

Date _____ BUYER _____

(Print name) _____

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

42. **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 _____

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 (BUYER'S) COMPENSATION: Seller's Broker agrees to pay Buyer's Broker and Buyer's Broker agrees to accept, out of Seller's Broker's proceeds in escrow, the amount specified in the MLS, provided Buyer's Broker is a Participant of the MLS...
E. PRESENTATION OF OFFER: Pursuant to Standard of Practice 1-7, if Buyer's Broker makes a written request, Seller's Broker shall confirm in writing that this offer has been presented to Seller.

Buyer's Brokerage Firm NAI Capital Steve Heri DRE Lic. # 00477500 DRE Lic. # 01990696
By Address City State Zip Telephone Fax E-mail
Seller's Brokerage Firm NAI Capital Steve Heri DRE Lic. # 00477500 DRE Lic. # 01990696
By Address City State Zip Telephone Fax E-mail

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 24 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 By Escrow # Date
Address
Phone/Fax/E-mail //
Escrow Holder has the following license number #
Department of Business Oversight, Department of Insurance, Department 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

Buyer's Initials () () Seller's Initials () ()

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BUYER'S INSPECTION ADVISORY

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

Property Address **205 Hill Road, Loyalton, Cal 96118**

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

Tim Korte

Buyer

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BIA REVISED 11/14 (PAGE 1 OF 1)

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



CALIFORNIA
ASSOCIATION
OF REALTORS®

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

(C.A.R. Form PRBS, Revised 12/18)

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 dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the buyer's or seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the seller's willingness to accept a price less than the listing price or the buyer's willingness to pay a price greater than the price offered; and except as set forth above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the Property to both parties.

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 	Tim Korte Date <u>4-29-19</u>
Buyer _____	Date _____
Buyer's Brokerage Firm NAI Capital	DRE Lic # 01990696 Date _____
By Steve Heri	DRE Lic # 00477500 Date _____
Seller's Brokerage Firm NAI Capital	DRE Lic # 01990696 Date _____
By Steve Heri	DRE Lic # 00477500 Date _____

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We are Employee Owned

May 1, 2019

City of Loyalton
605 School St.
Loyalton, CA. 96118

ATTN: Brooks Mitchel
RE: Reroofing the above referenced location.

We are pleased to quote you as follows:

1. Remove existing roofing to deck and dispose of properly.
2. Wood deck to be inspected by owner's representative and **D&D Roofing and Sheet Metal, Inc.** to determine extent of damage, if any. Replacement cost will be an additional amount of \$80.00 per 4' x 8' sheet of roof sheeting, or portion thereof, installed. Does not include interior insulation replacement.
3. Install new wood nailers at perimeter edges.
4. Mechanically attach one (1) layer of 1.5" Firestone Resista polyisocyanurate rigid insulation to wood deck.
5. Mechanically fasten Firestone 60 mil TPO over insulation per manufacturer's specifications.
6. Replace all flashing with manufacturer's flexible sheet as required.
7. Properly seal all penetrations and perimeters to manufacturer's specifications.
8. Fabricate and install 24 ga. bonderized sheet metal edge metal flashing, using a 22 ga. continuous wind cleat.
9. Fabricate and install 24 ga. side wall counter flashing.
10. Properly dispose of all debris created by **D&D Roofing and Sheet Metal, Inc.**
11. Upon completion, **D&D Roofing and Sheet Metal, Inc.** two (2) year guarantee to apply, as well as a manufacturer's **twenty (20) year** labor and material warranty.

Complete price: **\$148,784.00**

Note: This proposal includes the prevailing wage requirements for roofing and sheet metal.

Quotation is based on \$2 million insurance limits.

We recommend testing the existing roof for the presence of asbestos. If asbestos is present, all costs associated with the removal and disposal of the asbestos containing materials will be an added cost.

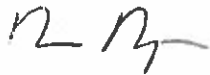
Terms: Monthly progress billings with the balance upon completion.

Note: This proposal expires in ten (10) days.

We thank you for this opportunity to present this proposal, and hope it meets with your approval. If you have any questions, or if I can be of further service, please do not hesitate to call.

Sincerely,

D&D Roofing and Sheet Metal, Inc.

A handwritten signature in black ink, appearing to read "R. Page", written in a cursive style.

**Ron Page
Chief Estimator**



Terms and Conditions of the Attached Scope of Work

It is a specific condition of this proposal that any contract of D&D Roofing and Sheet Metal, Inc. (hereinafter "D&D Roofing") executes include the Terms and Conditions of the Attached Scope of Work, which shall be attached to and become part of and control our agreement. Customer's act of directing D&D Roofing to commence work shall signify customer's acceptance of the Terms and Conditions of the Attached Scope of Work. No Sales Representative of D&D Roofing has authority to alter the terms of this agreement in any particular. All important points of our agreement must be reduced to writing to be enforceable.

To the fullest extent permitted by applicable law, the Contract includes the following Terms, Conditions, and Provisions:

Labor Warranty: Except as otherwise permitted in writing, D&D Roofing warrants labor (installation) for two years only from the date of substantial completion. This warranty is exclusive of all warranties, express or implied. Products may be covered by a separate warranty from the Manufacturer, which may include pro rata coverage based on the age of the product. **PATCH AND/OR REPAIR WORK CARRIES NO GUARANTEE.** As a condition precedent to making any claim under this warranty, customer must have paid D&D Roofing in full and in a timely fashion for all work performed. As a part of any warranty claim, D&D Roofing and Manufacturer shall be accorded reasonable opportunities to inspect and repair its work or product.

Limited Mutual Indemnity; Waiver of Consequential Damages: D&D Roofing bases its proposal on all parties to this contract agreement accepting responsibility for their own acts and omissions and for their proportionate share of liability. D&D Roofing shall defend, indemnify and hold harmless customer (and General Contractor if any) only to the extent such damages were caused by any negligent or intentional act of D&D Roofing. Customer shall indemnify and hold D&D Roofing and its agents harmless as to all liabilities arising out of negligent or intentional acts of customer and/or its agents, and as provided elsewhere herein. D&D Roofing will not defend, indemnify or hold harmless any third party, it being expressly agreed that there are no third party beneficiaries of this agreement. D&D Roofing shall maintain Worker's Compensation Insurance on all employees on customer's project. Both D&D Roofing and customer mutually waive all claims for consequential damages to the fullest extent allowed by Nevada law.

Payment Due on Completion of Work: All sums are due upon substantial completion of work. All sums owed shall earn interest at 1 1/2 % per month after 30 days of substantial completion until paid in full. If a suit to collect is filed, D&D Roofing shall be entitled to a reasonable attorney's fees and all costs of suit. D&D Roofing reserves all lien rights, which require D&D Roofing to record its lien within 90 days of substantial completion.

Contractors State License Board: Contractors are required by law to be licensed and regulated by the State Contractors License Board. Any questions concerning a contractor may be referred to: Contractors State License Board, 9670 Gateway Drive, Suite 100, Reno NV 89509; Contractors State License Board, PO Box 26000, Sacramento, CA 95026. D&D Roofing operates under unlimited license limits.

Residential Construction Recovery Fund: The Nevada State Contractors Board maintains a recovery fund for homeowners who are harmed by a licensed contractor's work. Payment may be available from the Recovery Fund if you are damaged financially by a project performed on your residence pursuant to a contract, including construction, remodeling, repair or other improvements, and the damage resulted from certain specified violations of Nevada law by a contractor licensed in this State. You may contact the Nevada State Contractors Board for more information.

Customer Relations:

- a. In many cases, D&D Roofing likes to place a sign on your property, identifying D&D Roofing as the Contractor. Please let us know if this is a problem.
- b. It will be necessary to trim low hanging trees on some projects. Please let us know if you prefer to perform this yourself.
- c. Please check all light fixtures, pictures, insulation, etc. hanging on your building. We cannot accept responsibility for damage to such items (or the reinstallation of the same) during the course of construction.
- d. Roof removal creates debris. Some of this debris may filter through the roof sheathing. Our firm strives to leave the job in a watertight manner during the removal and replacement process. We suggest covering or removing any items which require protection. Under no circumstances will we be liable for water damage which occurs during a roofing project.
- e. Your quotation is based on utilizing your parking lots, driveways and/or side yards for access. If this is unacceptable, please advise at once so that an adjustment can be made to your contract price.
- f. Unless destructive or invasive testing has been agreed to, we have made only a visual effort to determine possible underlying problems with your structure in estimating your contract price. We are not engineers or home inspectors. Should we discover or suspect any additional, further or different underlying problems in your structure such as asbestos, deteriorated wood members, metal flashing, etc., a joint inspection by customer and D&D Roofing will be requested. An addition to the quotation provided by us will be agreed upon at that time, before additional, further or different work from that described on the original agreement is performed. D&D Roofing cannot accept responsibility for any loss, cost or damage of any kind arising out of any circumstance caused by any pre-existing design or construction deficiencies in your property or structure, or which may not be visually apparent. Further, delays in testing and/or proper remediation can delay our work on your property. There may be additional charges if we must mobilize our crew more than expected because of problems with your existing roof or structure.
- g. Removal and replacement of antennas, satellite dishes, heat tape, cable equipment and solar equipment are the responsibility of the customer, unless otherwise noted.
- h. Painting is the responsibility of the customer, unless otherwise noted. In that regard, painting will ameliorate the possible adverse appearance of visible nails.
- i. Interior finish work, such as sheet rock or decorative trim is the responsibility of the customer, unless otherwise noted.
- j. Most jobs are over-loaded with materials. All excess materials remain the property of D&D Roofing and we reserve the right to re-enter the property to retrieve same.
- k. Any changes in the contract shall be considered additional work and shall be dealt with and charged as extra work. When you request additional work, or that we change scheduling, methods or other aspects of our work, you should expect to pay for it.

Asbestos & Lead Disclaimer: D&D Roofing's scope of work shall not include the identification, detection, abatement, encapsulation or removal of asbestos, lead, or similar hazardous substances, unless specifically noted in our proposal. If D&D Roofing encounters or reasonably suspects the presence of any such products or materials in the course of performing its work, or is such hazardous materials are encountered by any other firm performing work at the job site and D&D determines that such materials present a hazard to its employees, D&D Roofing shall have the right to discontinue its work and remove its employees from the job site until such products or materials, any hazards connected therewith, are located and abated, encapsulated or removed as required by law, or it is determined by appropriate testing that no hazard exists (as the case may require). D&D Roofing shall receive an extension of time to complete its work hereunder and compensation for delays reencountered as a result of such a situation and correction. The customer, in consideration of D&D Roofing performing the work in this contract, agrees to indemnify, defend and hold harmless D&D Roofing from any against any and all liability, damages, losses, claims, demands or lawsuits arising out of or relating to the presence of any hazardous materials at the work site.

Customer agrees to reasonably compensate D&D Roofing for all extra costs (including by not limited to remobilization), in the event of delay or disruption to work as described in this paragraph. This will specifically include any delays or disruptions arising out of the discovery or reasonable suspicion of the presence (including testing to confirm the suspected presence) of a noxious, toxic, hazardous, dangerous or regulated substance(s), conditions or circumstances, including by way of example and not limitation: Asbestos, lead, mold, fungus, or any other toxic, noxious, hazardous, regulated or controlled substances, offensive or dangerous substance, waste, circumstance or condition of any description.

Visibility of Fasteners Disclaimer: Customer acknowledges that most roof systems must be applied with nails and/or other fastening devices. Building codes, manufacturer recommendations and good construction practice typically require that fasteners must penetrate the roof strata. On occasion, these penetrations are visible on the underside and could be regarded as visually unappealing. Customer recognizes that such circumstances are to be regarded as a necessary incident to the proper installation of a roofing system. The proposal by D&D Roofing does not include or contemplate rededication or appropriate but possibly visually unappealing conditions. We suggest painting the underside of your eaves.

Mold & Mildew Disclaimer: Because of energy conservation measures, materials used in construction, design choices, and other reasons, we occasionally find ventilation deficiencies resulting in moisture in structures. Such circumstances can result in mold, mildew, viruses, fungus, bacteria, rot, and relation conditions in the air inside a structure, or even the building materials themselves. We cannot be responsible for the presence, detection, testing, identification, rededication (this includes testing, repairing or replacing any part property or equipment) because of any mold, mildew, virus, fungus, bacteria, dry rot or similar or related conditions (including but not limited to the discovery or presence of unforeseen moisture of water) or other developments which result from pre-existing problems with or deficiencies in your structure (whether from material, workmanship, design, maintenance or otherwise) or equipment or as a result of the presence or suspected presence of such circumstances. Please refer to previous paragraph seven for additional points.

Damage to D&D Roofing's Work by Others: Customer (and General Contractor if any) shall protect, defend, indemnify and hold D&D Roofing harmless from any claims, demands, damages, liability, or expense, including attorney's fees, arising from damage caused by or done by others to D&D Roofing's work.

Pre-Existing Conditions: Unless specifically included in the contract, D&D Roofing shall not be responsible for any existing violations or applicable building regulations or ordinances or good construction practices, whether cited by appropriate authority or not. D&D Roofing is not responsible for any abnormal or unusual pre-existing conditions or any unusual or abnormal concrete footings, foundations retaining walls or piers, or any unusual depth required for same such as, but not limited to, the condition caused by poor soil, lack of compaction, water, hillside, or other slope conditions. Correction of any such violations or abnormal conditions by D&D Roofing should be considered additional work and shall be dealt with and charged as extra work. In the end, it shall be the Owner's final decision as to whether any existing materials shall be left in place.

Interior Sheet Rock: Due to weight of materials being removed, and the weight of material being installed, it is possible for interior nails to protrude through sheet rock. D&D Roofing can not foresee or be held responsible for this condition. Minor interior sheet rock repair may be necessary.

Preliminary Lien Notice: On occasion, our customers receive a "Notice of Right To Lien" from our material suppliers. This does not mean that there is a lien against your home, nor does it mean that we have not paid our suppliers. This notice is to let you know who has supplied material on your property and who has a right to file a mechanic's lien, should they not receive payment. If you would like an Unconditional Final Release of Lien from the material supplier, we would be happy to request that on your behalf after completion of the project and final payment from you.

Cancellation: Any job that is cancelled MUST have a written letter from the Homeowner/Contractor stating that they are cancelling the job. D&D Roofing will respond with a letter acknowledging receipt of this letter confirming cancellation.

_____ **D&D Roofing's Initials**

_____ **Customer's Initials**

**LOYALTON CITY COUNCIL
COUNTY OF SIERRA
STATE OF CALIFORNIA**

RESOLUTION NO. 2-2019

A resolution to find the City of Loyalton Beckwith Pavement Repair project is categorically exempt from CEQA.

Whereas the City of Loyalton has approved the Beckwith Road Pavement Repair project; and

Whereas the City of Loyalton on Tuesday, May 21, 2019, held a regular council meeting on the proposed Beckwith Pavement Repair project, after properly noticing said meeting; and

Whereas, the City of Loyalton did receive input from the engineer, and receive testimony from the public, and at the closing of said public hearing did deliberate and consider the same; and

Whereas the City Council finds that the project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA), Section 15301 [Existing Facilities] and Section 15304 [Minor Alterations to Land] of the State CEQA Guidelines:

- This project is to maintain and improve existing streets owned by City of Loyalton and Sierra County and is consistent with applicable general plan designations and zoning. The project takes place on existing roads and within existing public rights of way.
- Existing streets will be repaired to correct for protruding manholes due to subsidence of previous trenching.
- Existing curbs will be reconstructed to improve the health and safety of the public by improving drainage conveyance.
- Minor grading and subsurface compaction will occur but will not include removal of healthy, mature or scenic trees. All surfaces in this project are previously disturbed and will be restored to grade consistent with existing streets and roads. Grading and compaction will be consistent with a Section 15304 exemption for minor alteration of land.
- The project area contains scattered pines. No critical habitat for protected species is identified within the project area. To ensure compliance with the Migratory Bird Treaty Act, any active nests identified within the project area will be avoided.
- No disturbance to any wetlands or riparian vegetation would occur due to this project. Erosion control measures are included in the project to ensure sediment control during construction. Construction will take place during dry conditions and best management practices will be employed for erosion control.
- There will be no significant effect on the environment due to any known unusual circumstances, and cumulative impacts of this project will not be significant.
- There are no historical resources known to occur on the site. The site consists of previously disturbed roadways and utility rights of way. The project will have no impact on the significance of any historical resource.
- This project is not located on a hazardous waste site.

- This project will not result in damage to a state designated scenic highway or any scenic resources within a scenic highway designation.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by Loyalton City Council, Sierra County, State of California that: City hereby finds the Beckwith Pavement Repair Project to be Categorical Exempt from CEQA.

PASSED AND ADOPTED by the City of Loyalton on this 21st day of May 2019 by a vote of:

Ayes:

Noes:

Absent:

Abstain:

DATED: This ____ day of _____, 2019.

Sarah Jackson, City of Loyalton Mayor

ATTEST:

I, _____, City Clerk of the City of Loyalton, State of California, hereby certify the above and foregoing to be a full, true and correct copy of a resolution adopted by said Council on the ____ day of _____, 2019.

Notice of Exemption

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA
95812-3044

From: (Public Agency) City of Loyalton
Box 128
Loyalton, CA 96118

County Clerk
County of: Sierra
100 Courthouse Sq
Room 11
Downieville, CA 95936

Project Title: Beckwith Road Pavement Repair

Project Applicant: City of Loyalton

Project Location - Specific:

This project is located in the City of Loyalton on Beckwith Road within the NWNE quarter of Section 13, Township 21 North Range 15 East. The road repair is needed to the west of the intersection of 4th street and Beckwith Rd. The alley way in need of pavement repair is located east of 4th street and runs north- south between Beckwith Road and State Highway 49 through the City of Loyalton.

Project Location - City: Loyalton

**Project Location -
County:** Sierra

Description of Nature, Purpose and Beneficiaries of Project:

This project will rehabilitate the existing pavement on Beckwith Road and the adjacent alley where trench subsidence from the sewer replacement project has taken place. Primarily, the existing manholes on Beckwith Road that are protruding above the surrounding pavement will be addressed. Pavement rehabilitation on Beckwith Road may include approximately 680 square yards of pavement resurfacing. The alley will include approximately 90 square yards of pavement reconstruction. The existing curb at the access to the alley will be reconstructed to allow proper drainage conveyance. Manholes within the pavement rehabilitation area will be adjusted to final asphalt grade.

Name of Public Agency Approving Project: City of Loyalton

Name of Person or Agency Carrying Out Project: City of Loyalton

Exempt Status: (check one):

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Class One: Existing Facilities (Sec. 15301)
- Statutory Exemptions. State code number:

Reasons why project is exempt:

California Code of Regulations CEQA Guidelines Section 15301 consists of maintenance or minor alteration of existing topographical features involving negligible or no expansion of existing or former use Section 15304 consists of Minor Alterations to Land:

- This project is to maintain and improve existing streets owned by City of Loyalton and Sierra County and is consistent with applicable general plan designations and zoning. The project takes place on existing roads and within existing public rights of way.
- Existing streets will be repaired to correct for protruding manholes due to subsidence of previous trenching.
- Existing curbs will be reconstructed to improve the health and safety of the public by improving drainage conveyance.
- Minor grading and subsurface compaction will occur but will not include removal of healthy, mature or scenic trees. All surfaces in this project are previously disturbed and will be restored to grade consistent with existing streets and roads. Grading and compaction will be consistent with a Section 15304 exemption for minor alteration of land.
- The project area contains scattered pines. No critical habitat for protected species is identified within the project area. To ensure compliance with the Migratory Bird Treaty Act, any active nests identified within the project area will be avoided.
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- There are no historical resources known to occur on the site. The site consists of previously disturbed roadways and utility rights of way. The project will have no impact on the significance of any historical resource.
- This project is not located on a hazardous waste site.
- This project will not result in damage to a state designated scenic highway or any scenic resources within a scenic highway designation.

Lead Agency

Contact Person: Sarah Jackson, Mayor Area Code/Telephone/Extension: 530-993-6750

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: _____ Title: Mayor

Signed by Lead Agency

Signed by Applicant

Date Received for filing at OPR: _____