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Attorneys for Debtor and Debtor-in-Possession

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA - OAKLAND DIVISION**

In re:

ANTONIO H. ANABO,

Debtor-In-Possession

**CASE No.: 17-42839 CN
Chapter 11**

**DEBTOR'S THIRD MOTION FOR ORDER
AUTHORIZING THE SALE OF REAL
PROPERTY LOCATED AT 462 37TH
STREET, OAKLAND, CA 94609 SUBJECT
TO OVERBID**

HEARING:

Date: May 10, 2018

Time: 10:00 AM

Crtrm: 215

Place: 1300 Clay Street, Oakland, CA 94612

**TO THE HONORABLE CHARLES NOVACK, UNITED STATES BANKRUPTCY
JUDGE, THE UNITED STATES TRUSTEE AND ALL INTERESTED PARTIES:**

INTRODUCTION

Tony Anabo, the Debtor (hereinafter "Debtor") in the above captioned Chapter 11 case, by and through his attorney of record, respectfully moves this Court for the entry of an order authorizing and approving the sale of the Debtor's real property located at 462 37th Street, Oakland, California, 94609 (hereinafter the "Property") to Danny Leung and Mansour Ghanbari, (collectively, hereinafter the "Buyer") free and clear of all liens, encumbrances, claims or

1 interests pursuant to 11 U.S.C. §363(f), and granting certain additional relief requested herein
2 and in the attached Memorandum of Points and Authorities.

3 This Motion is based upon the preceding Notice of Motion, 11 U.S.C. §363 and 105;
4 Federal Rules of Bankruptcy Procedures 2002 and 6004; Bankruptcy Local Rule 6004-1; the
5 attached Memorandum of Points and Authorities the Declaration of the Debtor submitted
6 herewith; and such additional evidence and argument as may be presented at or before the
7 hearing on this Motion.
8

9 **WHEREFORE**, Debtor respectfully requests that the Court enter an order:

- 10 1. Finding the notice of the Motion was adequate and appropriate under the
11 circumstances;
- 12 2. Granting the Motion in its entirety;
- 13 3. Authorizing and approving the sale of the Property to the Buyer free and clear of
14 all liens, claims, encumbrances and interest.
- 15 4. Authorizing the Debtor to take all necessary and reasonable steps to consummate
16 the sale of the Property;
- 17 5. Authorizing the payments of liens, claims and interests on and against the
18 Property (collectively referred to herein as the “Liens, Claims and Interests”)
- 19 6. Compelling all holders of the liens and encumbrances, if any, to execute any and
20 all documentation that may be required to allow escrow to close. Allowing the
21 Debtor, pursuant to 11 U.S.C. § 542(a), to deliver the Property to the purchaser
22 free and clear of any tenancy, except as described herein;
- 23 7. Granting such other and further relief as the Court deems just and proper under
24 the circumstances.
- 25 8. Allowing the Debtor, pursuant to 11 U.S.C. § 542(a), to deliver the Property to
26 the purchaser free and clear of any tenancy, except as described herein;
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- 28

1 9. Granting such other and further relief as the Court deems just and proper under
2 the circumstances.

3
4 Date: May 1, 2018

Respectfully Submitted,

TANG & ASSOCIATES

/s/ Kevin Tang

Kevin Tang, Esq. 291051
Attorney for Debtor

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- 1 3. The loan to Wells Fargo Home Mortgage will be paid in the full amount of \$512,000.00
2 plus accrued interest on the closing date.
- 3 4. The Property will be sold “as is, where is” with no warranties or representations of any
4 kind whatsoever.
- 5 5. Buyer agrees that the sale is not subject to an appraisal, inspection, or any contingencies.
6 Further, the Buyer will be responsible for any unlawful detainer actions that may arise
7 after the sale is completed.
- 8 6. Buyer acknowledges the sale is subject to overbid at a hearing for the sale of the property
9 at a date to be determined by the Court.
- 10 7. Escrow is to close within three (3) days or less of the Court’s approval of the sale.
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13 **C. Liens, Encumbrances and Other Interests**

14 The proposed sale will pay out the first and only lien holder, Wells Fargo Home
15 Mortgage will be paid in full, from the proceeds of the sale, in the amount of \$512,000.00 plus
16 accrued interest on the closing date.
17

18 **D. Payment of Other Expenses**

19 The remaining proceeds from the sale will be used to fund the Debtor’s Chapter 11 Plan
20 of Reorganization.
21

22 **E. Marketing Efforts and Identification of the Buyer**

23 Debtor listed the Property for sale with Cielo Fuentes (“Broker”). Since that time the
24 agent has listed the Property on the Multiple Listing Service (“MLS”) and has shown the
25 property for the last couple of months. Since falling out of escrow during the two previous sales
26 to Next Level Architecture, LLC and then to Sukpran Gill, Broker relisted the Property.
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F. Recommended Overbidding Procedures

Debtor proposes the following overbidding procedures:

1. The initial overbid must be at least \$10,000.00 more than the initial offer of \$810,000.00. The overbid must be on substantially the same terms as set forth in the Purchase Agreement.
2. Overbid increments will be \$10,000.00 after the initial overbid.
3. Any successful overbidder must be able to close by the Proposed Closing Date, or upon this Court's approval, whichever is later.
4. Any party wishing to overbid on the Property during the hearing on the Motion must contact Debtor's counsel at least forty-eight (48) hours prior to the hearing and provide evidence of available financial resources such as funds and/or proof of ability to finance the Debtor's counsel up to the overbidder's maximum bid to the Debtor's reasonable satisfaction.
5. Any overbidder wishing to overbid on the Property during the hearing must also submit, before the time of the hearing, a deposit for the purchase of the Property, by cashier's check or other cash equivalent in the amount of at least \$10,000.00 made payable to Tang & Associates Client Trust Account". The successful overbidder's deposit will be applied towards the purchase of the Property and will not be refunded in the event the overbidder cannot successfully close escrow, pursuant to the terms of the sale as proscribed herein.
6. If a broker brings a prospective bidder who is ultimately the successful bidder and to whom the sale is approved, the broker will share in the commission on the terms set forth in the purchase agreement attached as **Exhibit 1**.

II. DISCUSSION

A. The Court Should Authorize the Debtor to Sell the Property Where:

1 1. *The Debtor has complied with all notice requirements under the Bankruptcy*
2 *Code, Federal Rules of Bankruptcy Procedure, and Local Bankruptcy Rules*
3 *Governing the Sale of Property*

4
5 Second 363(B)(1) provides that the Debtor, “after notice and a hearing, may use, sell or
6 lease, other than in the ordinary course of business, property of the estate.” 11U.S.C. § 363(b)(1).
7 Section 102(1) defines “after notice and a hearing” as “after such notice as appropriate in the
8 particular circumstances.” 11 U.S.C. § 102(1). Rule 2002(a)(2) of the Federal Rules of
9 Bankruptcy Procedure requires at least 21 days of notice of a proposed sale of property of the
10 estate other than in the ordinary course of business, unless the Court for cause shown shortened
11 time. Fed. R. Bankr. Proc. 2002(a)(2). Rule 2002(c)(1) further requires that the notice of
12 proposed sale include the date, time and place of any public sales, the terms and conditions of
13 any private sale, and the time fixed for filing objections. Fed.R. Bankr. Prpc. 2002(c)(1). It also
14 provides that the notice of sale of property is sufficient if it generally describes the property. Id.
15 In the instant case, the Buyer and Debtor are seeking to close escrow within three (3) days of the
16 Court’s approval of the proposed sale Motion.

17
18 Rule 6003(c) states that the motion for authority to sell property free and clear of liens or
19 other interests must be made in accordance with Rule 9014 and must be served on the parties
20 who have liens or other interests in the property to be sold. Fed. R. Bankr. Proc. 6004(c).

21
22 The Debtor will serve all creditors in his case. The Debtor has complied with all of
23 the above provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure
24 and the Local Bankruptcy Rules.

25
26 2. *The Sale Motion Should be Approved Because Good Business Reasons*
27 *Exist to Approve the Sale of the Property, the Purchase Price for the*
28

***Property is Fair and Reasonable, and the Proposed Sale is in the Best
Interests of the Debtor's Estate and His Creditors.***

As a general matter, a Court considering a motion to approve a sale under §363(b) should determine from the evidence presented before it that a “good business reason” exists to grant such a motion. *In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d. Cir. 1983). In addition, the Court must further find it is in the best interest of the estate. To make this determination, a Court should consider whether:

- (1) the sale is fair and reasonable (i.e., the price to be paid is adequate);
- (2) the property has been given adequate marketing;
- (3) the sale is in good faith (i.e., there is an absence of any lucrative deals with insiders);
- (4) adequate notice has been provided to creditors.

In re Wilde Horse Enterprises, Inc., 136 B.R. 830, 841-2 (Bankr. C.D. Cal. 1991); *In re Mama's Original Foods, Inc.*, 234 B.R. 500, 502-505 (C.D. Cal. 1999). The Debtor submits that the proposed sale of the Property to George Calcote satisfies each of these requirements.

a. Sound Business Purpose

The Ninth Circuit Bankruptcy Appellate Panel in *Walter v. Sunwest Bank (In re Walter)*, 83 B.R. 14, 19-20 (9th Cir. B.A.P. 1988) has adopted a flexible case-by-case test to determine whether the business purpose for a proposed sale justifies disposition of property of the estate under Section 363(b). The facts pertaining to the sale at issue here substantiate the Debtor's business decision that the contemplated sale of the Property to the Buyer serves the best interests of the estate's creditors and merits the Court's approval. As discussed herein, the Property has been actively marketed by the Debtor.

The proposed sale of the Property is the result of the Debtor, or successful overbidder, obtaining the highest and best price for the Property. As set forth in the Declaration of Tony Anabo, the Debtor's projected sale of the Property will generate substantial funds to pay the 1st

1 lienholder. Thus, the Debtor believes that the proposed sale of the Property is in the best interest
2 of the Debtor's estate and his creditors.

3 **b. Fair and Reasonable Price**

4 In order for a sale to be approved under § 363(b), the purchase price must be fair
5 and reasonable. *See generally, In re Canyon Partnership*, 55 B.R. 520 (Bankr. S.D. Cal.
6 1985). The trustee is given substantial discretion in this regard. *Id.* In addition, Courts
7 have broad discretion with respect to matters under § 363(b). *See Big Shanty Land Corp. v.*
8 *Comer Properties, Inc.*, 61 B.R. 272, 278 (Bankr. N.D. Ga. 1985). In any sale of estate
9 assets, the ultimate purpose is to obtain the highest price for the property sold. *In re Wilde*
10 *Horse Enterprises, Inc.*, 136 B.R. at 841 (citing *Matter of Chung King, Inc.*, 753 F.2d 547
11 (7th Cir. 1985), *In re Alpha Industries, Inc.*, 84 B.R. 703, 705 (Bankr. Mont. 1988)).

12 The Buyer is a serious buyer and has made a sound offer. Based on the response to the
13 ongoing efforts to sell the Property, and the Debtor's familiarity with current market conditions,
14 the Debtor believes that the price offered for the Property by the Buyer of \$810,000.00
15 represents the fair market value of the Property. As a result, the Debtor submits that the final
16 purchase price to be paid by the Buyer represents a fair and reasonable price for the Property.
17 Given that the Buyer will pay in cash, this will enable escrow to close quickly and allow for
18 immediate repayment of the Secured Creditor, Debtor firmly believes the current, proposed sale
19 is in the best interest of the Estate and all its creditors.

20 **c. Adequate Marketing**

21 The Debtor has evaluated the offer on the Property and believes the price is
22 reasonable given market values and seeks to apply the proceeds of the sale to pay the lien holder
23 on the Property. Based on the foregoing, the Debtor submits that the Property has been more than
24 adequately marketed.

25 **d. Good Faith**

26 When a Bankruptcy Court authorizes a sale of assets pursuant to § 363(b)(1), it is
27 required to make a finding with respect to the "good faith" of the purchaser. *In re Abbotts*
28 *Dairies of Pa., Inc.*, 788 F.2d 143, 149 (3d Cir. 1986). With respect to the Trustee's conduct in
conjunction with the sale of the Property the good faith requirement focuses principally on
whether there is any evidence of "fraud, collusion between the purchase and other bidders or the

trustee, or an attempt to take grossly unfair advantage of other bidders.” *Id. at 147; In re Wilde Horse Enterprises*, 136 B.R. at 842.

The Debtor negotiated the agreement with the Buyer at arm’s length, and the Buyer is not related to, nor an “insider” of the Debtor as that term is defined in the Bankruptcy Code. 11 U.S.C. § 101(31). Moreover, there has been no fraud or collusion in connection with the proposed sale because everyone who expressed an interest in the Property was able to make an offer on the Property and which offer was thoroughly considered by the Debtor. Based on the foregoing, the Debtor submits that the Buyer is a “good faith” purchaser.

e. Accurate and Reasonable Notice

The purpose of the notice is to provide an opportunity for objections and hearing before the Court if there are objections. *In re Karpe*, 84 B.R. 926, 930 (Bankr. MD.Pa.1988). A notice is sufficient if it includes the terms and conditions of the sale and if it states the time for filing objections. *Id.*

As set forth above, the Debtor served this Notice of Motion and Motion on the United States Trustee, all the Debtor’s known creditors and all parties requesting special notice. The Notice includes the date, time and place of the hearing and the time fixed for filing objections thereto. This Notice and Motion were served upon the parties who have liens and/or claims against, or interests in, the Property, and the Debtor filed the Notice and Form 6004-2 with the Clerk of the Bankruptcy Court, as required by Local Bankruptcy Rule 6007-1(f), so that the Clerk of the Bankruptcy Court could publish information regarding the proposed sale. Thus, the Debtor submits that the notice of the sale should be deemed adequate, accurate and reasonable by the Court.

3. The Sale of the Property Should Be Free and Clear of All Liens, Claims, and Interests Under 11 U.S.C. § 363(f).

Bankruptcy Code § 363(f) provides that a trustee may sell property of the estate “free and clear of any interest in such property” if:

(1) applicable non-bankruptcy law permits the sale of such property free and clear of such interest;

(2) such entity consents;

(3) such interest is a lien and the price at which such property is to be sold is greater

1 than the aggregate value of all liens on such property;
2 (4) such interest is in bona fide dispute; or
3 (5) such entity could be compelled, in a legal or equitable proceeding, to accept a
4 money satisfaction of such interest.

5 11 U.S.C. § 363(f). Because § 363(f) is in the disjunctive, the Trustee must only meet one
6 of the five subsections of § 363(f) in order to sell the Property free and clear of all liens, claims,
7 and interests. *In re Whittemore*, 37 B.R. 93, 94 (Bankr. D. Or. 1984). The Debtor will use the
8 proceeds of the sale to pay off the first lienholder, and the remaining proceeds to fund his plan of
9 reorganization.

10 **III. CONCLUSION**

11 **WHEREFORE**, the Debtor respectfully requests that the Court enter an order:

- 12 (1) Finding that notice of the Motion was adequate and appropriate under the
13 circumstances;
 - 14 (2) Granting the Motion in its entirety;
 - 15 (3) Authorizing and approving the sale of the Property to Danny Leung and Mansour
16 Ghanbari (collectively the “Buyer”) free and clear of all liens, claims, and interests;
 - 17 (4) Authorizing the Debtor to take all necessary and reasonable steps to
18 consummate the sale of the Property;
 - 19 (5) Authorizing payments of the liens, claims and interests on and against the
20 Property (collectively referred to herein as the “Liens, Claims and Interest”);
 - 21 (6) Compelling all holders of the liens and encumbrances, if any, to execute any
22 and all documentation that may be required to allow escrow to close within ten (10)
23 days;
 - 24 (7) Allowing the Debtor, pursuant to 11 U.S.C. § 542(a), to deliver the Property
25 to the purchaser free and clear of any tenancy, except as described herein;
 - 26 (8) Granting such other and further relief as the Court deems just and proper
27 under the circumstances.
- 28

1 Date: May 1, 2018

Tang & Associates

2 /s/ Kevin Tang

3 Kevin Tang, Esq.

4 Attorney for Debtor in Possession

DECLARATION OF ANTONIO “TONY” ANABO

I, Antonio H. Anabo, do hereby declare that all of the following is true and correct to the best of my personal knowledge and if called upon as a witness, I could and would competently testify to the truthfulness of all of the below statements:

1. I am the debtor in the instant bankruptcy proceeding, Case No. 17-42839 filed on November 13, 2017.
2. I make this declaration in support of Debtor’s Third Motion for Order Authorizing the Sale of Real Property.
3. I am the owner of the real property located at at 462 37th Street, Oakland, CA 94609 (“Property”)
4. That, the previous buyer, Next Level Architecture, LLC, and I, mutually agreed to cancel our sale agreement and not complete closing escrow on the Court approved sale on April 3, 2018.
5. That, on or about April 3, 2018, I received an all cash offer to purchase the Property for the purchase price of \$840,000.00 from Sukpran Gill and Property Investors 2016, LLC (the “Buyer”). I accepted the offer on or about April 3, 2018 . Unfortunately, the Sukpran Gill cancelled the day escrow was to close, and the sale fell through.
6. Cielo C. Fuentes, my Court-approved real estate broker, relisted the Property on the MLS and held an open house on April 28, 2018 through April 29, 2018.
7. I received all cash offer from Danny Leung and Mansour Ghanbari for \$810,000.00 for the Property (“Offer”). I accepted the Offer from Danny Leung and Mansour Ghanbari on or before May 1, 2018.
8. That, the sale is not subject to any further inspections or contingencies and the Property is being sold “as is”, subject to Court approval. Please find a true and correct copy of the Sale Purchase Agreement is attached hereto as **Exhibit 1**.

1 9. That, I have not received any other offers on the Property.

2 I declare under penalty of perjury under the laws of California that the foregoing is true and
3 correct and that this Declaration was executed this 1st day of May, 2018, at Oakland, California.
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6 /s Antonio H Anabo
7 Antonio "Tony" H. Anabo
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EXHIBIT 1



CALIFORNIA
ASSOCIATION
OF REALTORS®

CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form RPA-CA, Revised 12/15)

Date Prepared: 04/28/2018

1. OFFER:

- A. THIS IS AN OFFER FROM DANNY LEUNG, MANSOUR GHANBARI ("Buyer").
- B. THE REAL PROPERTY to be acquired is 462 37TH STREET, OAKLAND, CA 94609, situated in OAKLAND (City), _____ (County), California, 94609 (Zip Code), Assessor's Parcel No. _____ ("Property").
- C. THE PURCHASE PRICE offered is Eight Hundred Ten Thousand Dollars \$ 810,000.00.
- D. CLOSE OF ESCROW shall occur on ☒ 30 DAYS OR LESS (date) or ☐ _____ Days After Acceptance.
- E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

2. AGENCY:

- A. DISCLOSURE: The Parties each acknowledge receipt of a ☒ "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD).
- B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:
Listing Agent KEENAN HOWARD REALTY INC (Print Firm Name) is the agent of (check one):
☐ the Seller exclusively; or ☒ both the Buyer and Seller.
Selling Agent KEENAN HOWARD REALTY INC (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): ☐ the Buyer exclusively; or ☐ the Seller exclusively; or ☐ both the Buyer and Seller.
- C. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a ☒ "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. FINANCE TERMS: Buyer represents that funds will be good when deposited with Escrow Holder.

- A. INITIAL DEPOSIT: Deposit shall be in the amount of _____ \$ 10,000.00
(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, ☐ cashier's check, ☐ personal check, ☐ other _____ within 3 business days after Acceptance (or _____);

OR (2) ☐ Buyer Deposit with Agent: Buyer has given the deposit by personal check (or _____) to the agent submitting the offer (or to _____), made payable to _____ The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or _____). Deposit checks given to agent shall be an original signed check and not a copy.

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

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of _____ \$ _____ within _____ Days After Acceptance (or _____).

If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.

- C. ☒ ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or ☐ Buyer shall, within 3 (or _____) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

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

E. ADDITIONAL FINANCING TERMS: _____

- F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of _____ \$ 800,000.00
to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

- G. PURCHASE PRICE (TOTAL): _____ \$ 810,000.00

Buyer's Initials (DL) (M.G.)

Seller's Initials (_____) (_____)

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CALIFORNIA RESIDENTIAL PURCHASE AGREEMENT (RPA-CA PAGE 1 OF 10)

Keenan Howard Realty, Inc. 2643 Applian Way Suite C Pinole CA 94564
Ciclo Fuentes Produced with zipForm® by zipLogix 18070 Fifteen Mile Road, Fraser, Michigan 48026 www.zipLogix.com

Phone: 5107785655 Fax: 8887367776



462 37th

- 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 14, 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 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"/> Back Up Offer Addendum (C.A.R. Form BUO) | <input type="checkbox"/> Addendum # _____ (C.A.R. Form ADM) |
| <input type="checkbox"/> Septic, Well and Property Monument Addendum (C.A.R. Form SWPI) | <input type="checkbox"/> Court Confirmation Addendum (C.A.R. Form CCA) |
| <input type="checkbox"/> Short Sale Addendum (C.A.R. Form SSA) | <input type="checkbox"/> Other _____ |
- B. BUYER AND SELLER ADVISORIES:**
- | | |
|---|---|
| <input type="checkbox"/> Probate Advisory (C.A.R. Form PA) | <input checked="" type="checkbox"/> Buyer's Inspection Advisory (C.A.R. Form BIA) |
| <input type="checkbox"/> Trust Advisory (C.A.R. Form TA) | <input type="checkbox"/> Statewide Buyer and Seller Advisory (C.A.R. Form SBSA) |
| <input type="checkbox"/> Short Sale Information and Advisory (C.A.R. Form SSIA) | <input type="checkbox"/> REO Advisory (C.A.R. Form REO) |
| | <input type="checkbox"/> Other _____ |
- 6. OTHER TERMS:**
- _____
- _____
- 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 **SELLER'S CHOICE**
- (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 (JS) (MG)
- Seller's Initials (_____) (_____)



B. GOVERNMENT REQUIREMENTS AND RETROFIT:

- (1) ☐ 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) ☒ 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) ☒ 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 14A, 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) ☒ Buyer ☐ Seller shall pay escrow fee Chicago Title (San Francisco)
 (b) Escrow Holder shall be _____
 (c) The Parties shall, within **5 (or _____) Days** After receipt, sign and return Escrow Holder's general provisions.
- (2) (a) ☒ Buyer ☐ Seller shall pay for **owner's** title insurance policy specified in paragraph 13E
 (b) Owner's title policy to be issued by Chicago Title (San Francisco)
 (Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

D. OTHER COSTS:

- (1) ☐ Buyer ☒ Seller shall pay County transfer tax or fee _____
 (2) ☒ Buyer ☒ Seller shall pay City transfer tax or fee **50/50 SPLIT**
 (3) ☐ Buyer ☐ Seller shall pay Homeowners' Association ("HOA") transfer fee _____
 (4) Seller shall pay HOA fees for preparing documents required to be delivered by Civil Code §4525.
 (5) ☐ Buyer ☐ Seller shall pay HOA 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 _____
 (10) ☐ Buyer ☐ Seller shall pay for the cost, not to exceed \$ _____, of a standard (or ☐ upgraded) one-year home warranty plan, issued by _____, with the following optional coverages: ☐ Air Conditioner ☐ Pool/Spa ☐ Other: _____
 Buyer is informed that home warranty plans have many optional coverages in addition to those listed above. Buyer is advised to investigate these coverages to determine those that may be suitable for Buyer.

OR ☒ Buyer waives the purchase of a home warranty plan. Nothing in this paragraph precludes Buyer's purchasing a home warranty plan during the term of this Agreement.

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 or C.

B. ITEMS INCLUDED IN SALE: Except as otherwise specified or disclosed,

- (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 and the following if checked: ☐ all stove(s), except _____; ☐ all refrigerator(s) except _____; ☐ all washer(s) and dryer(s), except _____;
 (3) The following additional items: _____
 (4) Existing integrated phone and home 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.
 (5) **LEASED OR LIENED ITEMS AND SYSTEMS:** Seller shall, within the time specified in paragraph 14A, (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 14B and C.
 (6) Seller represents that all items included in the purchase price, unless otherwise specified, (i) are owned by Seller and shall be transferred free and clear of liens and encumbrances, except the items and systems identified pursuant to 8B(5) and _____, and (ii) are transferred without Seller warranty regardless of value.

C. ITEMS EXCLUDED FROM SALE: Unless otherwise specified, the following items are excluded from sale: (i) audio and video components (such as flat screen TVs, speakers and other items) if any such item is not itself attached to the Property, even if a bracket or other mechanism attached to the component or item is attached to the Property; (ii) furniture and other items secured to the Property for earthquake purposes; and (iii) _____

_____. Brackets attached to walls, floors or ceilings for any such component, furniture or item shall remain with the Property (or ☐ will be removed and holes or other damage shall be repaired, but not painted).

Buyer's Initials (M.G.)
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Seller's Initials (_____) (_____)

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9. CLOSING AND POSSESSION:

- A. Buyer intends (or ☐ does not intend) to occupy the Property as Buyer's primary residence.
- B. **Seller-occupied or vacant property:** Possession shall be delivered to Buyer: (i) at 6 PM or (☐ AM/☐ PM) on the date of Close Of Escrow; (ii) ☐ no later than _____ calendar days after Close Of Escrow; or (iii) ☐ at ☐ AM/☐ PM on _____.
- C. **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 SIP, for Seller continued occupancy of less than 30 days, ☐ C.A.R. Form RLAS for Seller continued occupancy of 30 days or more; 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.
- D. **Tenant-occupied property: Property shall be vacant at least 5 (or _____) Days Prior to Close Of Escrow, unless otherwise agreed in writing. Note to Seller: If you are unable to deliver Property vacant in accordance with rent control and other applicable Law, you may be in breach of this Agreement.**
- OR ☐ **Tenant to remain in possession (C.A.R. Form TIP).**

- E. At Close Of Escrow: Seller assigns to Buyer any assignable warranty rights for items included in the sale; and Seller shall Deliver to Buyer available Copies of any such warranties. Brokers cannot and will not determine the assignability of any warranties.
- F. 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 Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

10. STATUTORY AND OTHER DISCLOSURES (INCLUDING LEAD-BASED PAINT HAZARD DISCLOSURES) AND CANCELLATION RIGHTS:

- A. (1) Seller shall, within the time specified in paragraph 14A, Deliver to Buyer: (i) if required by Law, a fully completed: Federal Lead-Based Paint Disclosures (C.A.R. Form FLD) and pamphlet ("Lead Disclosures"); and (ii) unless exempt, fully completed disclosures or notices required by sections 1102 et. seq. and 1103 et. seq. of the Civil Code ("Statutory Disclosures"). Statutory Disclosures include, but are not limited to, a Real Estate Transfer Disclosure Statement ("TDS"), Natural Hazard Disclosure Statement ("NHD"), notice or actual knowledge of release of illegal controlled substance, notice of special tax and/or assessments (or, if allowed, substantially equivalent notice regarding the Mello-Roos Community Facilities Act of 1982 and Improvement Bond Act of 1915) and, if Seller has actual knowledge, of industrial use and military ordnance location (C.A.R. Form SPQ or ESD).
- (2) Any Statutory Disclosure required by this paragraph is considered fully completed if Seller has answered all questions and completed and signed the Seller section(s) and the Listing Agent, if any, has completed and signed the Listing Broker section(s), or, if applicable, an Agent Visual Inspection Disclosure (C.A.R. Form AVID). Nothing stated herein relieves a Buyer's Broker, if any, from the obligation to (i) conduct a reasonably competent and diligent visual inspection of the accessible areas of the Property and disclose, on Section IV of the TDS, or an AVID, material facts affecting the value or desirability of the Property that were or should have been revealed by such an inspection or (ii) complete any sections on all disclosures required to be completed by Buyer's Broker.
- (3) **Note to Buyer and Seller:** Waiver of Statutory and Lead Disclosures is prohibited by Law.
- (4) Within the time specified in paragraph 14A, (i) Seller, unless exempt from the obligation to provide a TDS, shall, complete and provide Buyer with a Seller Property Questionnaire (C.A.R. Form SPQ); (ii) if Seller is not required to provide a TDS, Seller shall complete and provide Buyer with an Exempt Seller Disclosure (C.A.R. Form ESD).
- (5) Buyer shall, within the time specified in paragraph 14B(1), return Signed Copies of the Statutory, Lead and other disclosures to Seller.
- (6) In the event Seller or Listing Broker, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. **However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies of which Buyer is otherwise aware, or which are disclosed in reports provided to or obtained by Buyer or ordered and paid for by Buyer.**
- (7) If any disclosure or notice specified in paragraph 10A(1), or subsequent or amended disclosure or notice is Delivered to Buyer after the offer is Signed, Buyer shall have the right to cancel this Agreement within **3 Days** After Delivery in person, or **5 Days** After Delivery by deposit in the mail, by giving written notice of cancellation to Seller or Seller's agent.
- B. **NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS:** Within the time specified in paragraph 14A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet, and home energy rating pamphlet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- C. **WITHHOLDING TAXES:** Within the time specified in paragraph 14A, 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. **MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)
- E. **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.
- F. **CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**
- (1) **SELLER HAS:** 7 (or _____) Days After Acceptance to disclose to Buyer if the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form SPQ or ESD).

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



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- (2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has **3 (or ____)** Days After Acceptance to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). (vi) private transfer fees; (vii) Pet fee restrictions; and (viii) smoking restrictions. Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 14B(3). The Party specified in paragraph 7, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.
- 11. 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 14A, 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 14B, 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.**
- 12. 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 14B. Within the time specified in paragraph 14B(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: (i) a general physical inspection; (ii) an inspection specifically for wood destroying pests and organisms. Any inspection for wood destroying pests and organisms shall be prepared by a registered Structural Pest Control company; shall cover the main building and attached structures; may cover detached structures; shall NOT include water tests of shower pans on upper level units unless the owners of property below the shower consent; shall NOT include roof coverings; and, if the Property is a unit in a condominium or other common interest subdivision, the inspection shall include only the separate interest and any exclusive-use areas being transferred, and shall NOT include common areas; and shall include a report ("Pest Control Report") showing the findings of the company which shall be separated into sections for evident infestation or infections (Section 1) and for conditions likely to lead to infestation or infection (Section 2); (iii) inspect for lead-based paint and other lead-based paint hazards; (iv) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA); (v) review the registered sex offender database; (vi) confirm the insurability of Buyer and the Property including the availability and cost of flood and fire insurance; and (vii) review and seek approval of leases that may need to be assumed by Buyer. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: invasive or destructive Buyer Investigations, except for minimally invasive testing required to prepare a Pest Control Report; or 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 14B, 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.
- 13. TITLE AND VESTING:**
- A.** Within the time specified in paragraph 14, 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 14B. 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 14A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D.** At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.

Buyer's Initials (*[Signature]*) (*M.G.*)

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Seller's Initials (_____) (_____)

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- E. Buyer shall receive a CLTA/ALTA "Homeowner's Policy of Title Insurance", if applicable to the type of property and buyer. If not, Escrow Holder shall notify Buyer. A title company can provide information about the availability, coverage, and cost of other title policies and endorsements. If the Homeowner's Policy is not available, Buyer shall choose another policy, instruct Escrow Holder in writing and shall pay any increase in cost.
- 14. 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 1) Days After Acceptance to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 5, 6, 7, 8B(5), 10A, B, C, and F, 11A and 13A. If, by the time specified, Seller has not Delivered any such item, Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement.**
- B. (1) BUYER HAS: 17 (or 2) 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(5), and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory and Lead Disclosures and other disclosures Delivered by Seller in accordance with paragraph 10A.**
- (2) Within the time specified in paragraph 14B(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 14B(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 14A, then Buyer has 5 (or) Days After Delivery of any such items, or the time specified in paragraph 14B(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 14B(1) and before Seller cancels, if at all, pursuant to paragraph 14D, 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 14D(1).**
- (5) Access to Property: Buyer shall have access to the Property to conduct inspections and investigations for 17 (or) Days After Acceptance, whether or not any part of the Buyer's Investigation Contingency has been waived or removed.**
- C. ☐ REMOVAL OF CONTINGENCIES WITH OFFER: Buyer removes the contingencies specified in the attached Contingency Removal form (C.A.R. Form CR). If Buyer removes any contingency without an adequate understanding of the Property's condition or Buyer's ability to purchase, Buyer is acting against the advice of Broker.**
- D. SELLER RIGHT TO CANCEL:**
- (1) Seller right to Cancel; Buyer Contingencies: If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.**
- (2) Seller right to Cancel; Buyer Contract Obligations: Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A, or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification, or a satisfactory verification if Seller reasonably disapproves of the verification already provided, as required by paragraph 3C or 3H; (v) In writing assume or accept leases or liens specified in 8B5; (vi) Return Statutory and Lead Disclosures as required by paragraph 10A(5); or (vii) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 21B; or (viii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.**
- E. 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 14.**
- F. 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.**
- G. 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.**
- H. EFFECT OF CANCELLATION ON DEPOSITS: If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign 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 () ()
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Seller's Initials () ()



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- 15. 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 11; (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).
- 16. 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.
- 17. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS:** Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment 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.
- 18. BROKERS:**
- A. COMPENSATION:** Seller or Buyer, or both, as applicable, agree to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
- B. SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.
- 19. REPRESENTATIVE CAPACITY:** If one or more Parties is signing this Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 31 or 32 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 this Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The 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).
- 20. 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, 10C, 13, 14H, 17, 18A, 19, 20, 26, 29, 30, 31, 32 and paragraph D of the section titled Real Estate Brokers on page 10. If a Copy of the separate compensation agreement(s) provided for in paragraph 18A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 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, 10 or elsewhere in this Agreement.**
- B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or ☐). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 10C, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.**

Buyer's Initials (JS) (MC)
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- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 18A and paragraph D of the section titled Real Estate Brokers on page 10. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 18A, 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 or down payment is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- 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.

21. 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. If the Property is a dwelling with no more than four units, one of which Buyer intends to occupy, then the amount retained shall be no more than 3% of the purchase price. Any excess shall be returned to Buyer. Except as provided in paragraph 14H, release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT THE TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R. FORM RID).**

Buyer's Initials OS M.G.

Seller's Initials _____ / _____

22. 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. Real Estate Mediation Center for Consumers (www.consumermediation.org) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with 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 22C.**

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 residential 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 22C.

"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 OS M.G.

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.

Buyer's Initials (OS) (M.G.)

Seller's Initials (_____) (_____)

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- (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 this Agreement.
23. **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.
24. **MULTIPLE LISTING SERVICE ("MLS"):** Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.
25. **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 attorney fees and costs from the non-prevailing Buyer or Seller, except as provided in paragraph 22A.
26. **ASSIGNMENT:** Buyer shall not assign all or any part of Buyer's interest in this Agreement without first having obtained the separate written consent of Seller to a specified assignee. Such consent shall not be unreasonably withheld. 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).
27. **EQUAL HOUSING OPPORTUNITY:** The Property is sold in compliance with federal, state and local anti-discrimination Laws.
28. **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. The Parties have read and acknowledge receipt of a Copy of the offer and agree to the confirmation of agency relationships. If this offer is accepted and Buyer subsequently defaults, Buyer may be responsible for payment of Brokers' compensation. This Agreement and any supplement, addendum or modification, including any Copy, may be Signed in two or more counterparts, all of which shall constitute one and the same writing.
29. **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.**
30. **DEFINITIONS:** As used in this Agreement:
- A. **"Acceptance"** means the time the offer or final counter offer is accepted in writing by a Party and is delivered to and personally received by the other Party or that Party's authorized agent in accordance with the terms of this offer or a final counter offer.
 - B. **"Agreement"** means this document and any counter offers and any incorporated addenda, collectively forming the binding agreement between the Parties. Addenda are incorporated only when Signed by all Parties.
 - C. **"C.A.R. Form"** means the most current version of the specific form referenced or another comparable form agreed to by the parties.
 - D. **"Close Of Escrow"**, including "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 10, 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.

31. **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 5/1/18 ☐ AM / ☒ PM, on _____ (date)).

☐ One or more Buyers is signing this 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 4/28/18 BUYER

(Print name) DANNY LEUNG

Date 4/28/18 BUYER

(Print name) MANSOUR GHANBARI

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

Seller's Initials (_____) (_____)

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462 37th



Property Address: **462 37TH STREET, OAKLAND, CA 94609**Date: **April 28, 2018**

32. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer, and agrees to sell the Property on the above terms and conditions. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes 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 this 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 05/01/2018
02:03 PM PDT

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

Real Estate Broker (Selling Firm) **KEENAN HOWARD REALTY INC**CalBRE Lic. # **01985265**By *[Signature]* **CIELO C FUENTES** CalBRE Lic. # **01275719**

Date _____

By _____ CalBRE Lic. # _____

Date _____

Address *2643 Arrian Way Ste C* City *Pineville* State *CA* Zip *94564*Telephone *510-778-8255* Fax *888-736-7776* E-mail *cfuentes.agent@gmail.com*Real Estate Broker (Listing Firm) **KEENAN HOWARD REALTY INC**CalBRE Lic. # **01985265**By *[Signature]* **CIELO C FUENTES** CalBRE Lic. # **01275719**

Date _____

By _____ CalBRE Lic. # _____

Date _____

Address *2643 Arrian Way Ste C* City *Pineville* State *CA* Zip *94564*Telephone *510-778-8255* Fax *888-736-7776* E-mail *cfuentes.agent@gmail.com***ESCROW HOLDER ACKNOWLEDGMENT:**

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of \$ _____), counter offer numbers _____ ☐ Seller's Statement of Information and _____

and agrees to act as Escrow Holder subject to paragraph 20 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

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

Escrow Holder _____ Escrow # _____

By _____ Date _____

Address _____

Phone/Fax/E-mail _____

Escrow Holder has the following license number # _____

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

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

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

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 525 South Virgil Avenue, Los Angeles, California 90020

Buyer Acknowledges that page 10 is part of this Agreement (_____) *[Signature]*

Buyer's Initials

Reviewed by
 Broker or Designee _____

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ADDENDUM

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

No. ONE

The following terms and conditions are hereby incorporated in and made a part of the: ☐ Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement, ☐ Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind), ☐ Other _____

dated April 28, 2018, on property known as 462 37TH STREET
OAKLAND, CA 94609

in which DANNY LEUNG, MANSOUR GHANBARI is referred to as ("Buyer/Tenant")
and _____ is referred to as ("Seller/Landlord").

1. Buyers purchasing the property in its As-Is Condition.

2. Buyers acknowledge that the sale is subject to Bankruptcy Court Approval and is subject to overbid at a hearing for the sale of the property - date to be determined by the Court. Buyer to close escrow within 3 business days or fewer days from receiving written evidence of court approval or confirmation of Bankruptcy Sale.

All other terms remain the same.

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

Date 4-28-18

Date 05/01/2018
02:03 PM PDT

Buyer/Tenant DANNY LEUNG

Seller/Landlord _____

Buyer/Tenant MANSOUR GHANBARI

Seller/Landlord _____

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Reviewed by _____ Date _____



ADM REVISED 12/15 (PAGE 1 OF 1)

ADDENDUM (ADM PAGE 1 OF 1)



CALIFORNIA
ASSOCIATION
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COURT CONFIRMATION ADDENDUM

(C.A.R. Form CCA, 11/12)

This is an addendum to the ☒ California Residential Purchase Agreement, ☐ Counter Offer No. _____, ☐ Other _____ ("Agreement"), dated _____, on property known as 462 37TH STREET, OAKLAND, CA 94609 ("Property"), between DANNY LEUNG, MANSOUR GHANBARI ("Buyer"), and _____ ("Seller").

The Agreement is contingent upon court confirmation on or before May 31, 2018 (date). If court confirmation is not obtained by that date, Buyer may cancel the Agreement in writing. Court confirmation may be required in probate, conservatorship, guardianship, receivership, bankruptcy, divorce or other proceedings. The court may allow open, competitive bidding, resulting in the Property being sold to the highest bidder. Broker recommends that Buyer appear at the court confirmation hearing. Buyer understands that (i) Broker and others may continue to market the Property; and (ii) Broker may represent other competitive bidders prior to and at the court confirmation.

By signing below Buyer and Seller acknowledge that each has read, understands, has received a copy of and agrees to the terms of this Court Confirmation Addendum.

Date	<u>4-28-18</u>	Date	_____
Buyer	<u>DANNY LEUNG</u>	Seller	_____
Buyer	<u>MANSOUR GHANBARI</u>	Seller	_____

05/01/2018
02:03 PM PDT

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CCA 11/12 (PAGE 1 OF 1)

COURT CONFIRMATION ADDENDUM (CCA PAGE 1 OF 1)

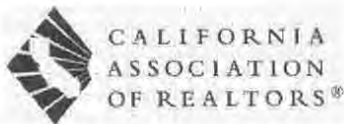
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Cielo Fuentes

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462 37th St Leung



BUYER'S INSPECTION ADVISORY

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

Property Address: **462 37TH STREET, OAKLAND, CA 94609**

("Property").

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

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

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

- A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and nonstructural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.
- B. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.
- C. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.
- D. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.
- E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.
- F. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).
- G. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.
- H. FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.
- I. BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size.
- J. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.
- K. SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.
- L. NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, law enforcement, crime statistics, registered felons or offenders, fire protection, other government services, availability, adequacy and cost of internet connections or other technology services and installations, commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

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

Buyer

DANNY LEUNG

Buyer

MANSOUR GHANBARI

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

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Cielo Fuentes

Phone: 5107785655 Fax: 8887367776 462 37th
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In accordance with the terms and conditions of the: ☒ Residential Purchase Agreement (C.A.R. Form RPA-CA), ☐ Request For Repair (C.A.R. Form RR), ☐ Response And Reply To Request For Repair (C.A.R. Form RRRR) or ☐ Other _____

dated 04/28/2018, on property known as 462 37TH STREET, OAKLAND, CA 94609 ("Property"),
between DANNY LEUNG, MANSOUR GHANBARI ("Buyer"),
and TONY ANABO ("Seller").

I. BUYER REMOVAL OF BUYER CONTINGENCIES:

1. With respect to any contingency and cancellation right that Buyer removes, unless otherwise specified in a separate written agreement between Buyer and Seller, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations and review of reports and other applicable information and disclosures; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and, expense, if any, for Repairs, corrections, or for the inability to obtain financing. Waiver of statutory disclosures is prohibited by law.

2. Buyer removes those contingencies specified below.

A. ONLY the following individually checked Buyer contingencies are removed:

1. ☐ Loan (Paragraph 3J)
2. ☐ Appraisal (Paragraph 3I)
3. ☐ Buyer's Physical Inspection (Paragraph 12)
4. ☐ All Buyer Investigations other than a physical inspection (Paragraph 12)
5. ☐ Condominium/Planned Development (HOA or OA) Disclosures (Paragraph 10F)
6. ☐ Reports/Disclosures (Paragraphs 7 and 10)
7. ☐ Title: Preliminary Report (Paragraph 13)
8. ☐ Sale of Buyer's Property (Paragraph 4B)
9. ☐ Review of documentation for leased or liened items (Paragraph 8B(5))
10. ☐ Other: _____
11. ☐ Other: _____

OR B. ☐ ALL Buyer contingencies are removed, EXCEPT: ☐ Loan Contingency (Paragraph 3J); ☐ Appraisal Contingency (Paragraph 3I); ☐ Contingency for the Sale of Buyer's Property (Paragraph 4B); ☐ Condominium/Planned Development (HOA) Disclosures (Paragraph 10F); ☐ Other _____

OR C. ☒ BUYER HEREBY REMOVES ANY AND ALL BUYER CONTINGENCIES.

3. Once all contingencies are removed, whether or not Buyer has satisfied him/herself regarding all contingencies or received any information relating to those contingencies, Buyer may not be entitled to a return of Buyer's deposit if Buyer does not close escrow. This could happen even if, for example, Buyer does not approve of some aspect of the Property or lender does not approve Buyer's loan.

NOTE: Paragraph numbers refer to the California Residential Purchase Agreement (C.A.R. Form RPA-CA). Applicable paragraph numbers for each contingency or contractual action in other C.A.R. contracts are found in Contract Paragraph Matrix (C.A.R. Form CPM).

Buyer DANNY LEUNG Date 4-30-18
Buyer MANSOUR GHANBARI Date 4-30-18

II. SELLER REMOVAL OF SELLER CONTINGENCIES: Seller hereby removes the following Seller contingencies:

- ☐ Finding of replacement property (C.A.R. Form SPRP); ☐ Closing on replacement property (C.A.R. Form SPRP)
☐ Other _____

Seller _____ Date _____

Seller _____ Date _____

(_____/_____) (Initials) **CONFIRMATION OF RECEIPT:** A copy of this signed Contingency Removal was personally received by ☐ Buyer ☐ Seller or authorized agent on _____ (date), at _____ ☐ AM / ☐ PM.

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CR REVISED 6/16 (PAGE 1 OF 1)

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CONTINGENCY REMOVAL (CR PAGE 1 OF 1)



BUYER'S INSPECTION ELECTIONS

(C.A.R. Form BIE, REVISED 11/13)

Property Address: 462 37TH STREET, OAKLAND, CA 94609 ("Property").

A. IMPORTANCE OF PROPERTY INVESTIGATION: Unless otherwise specified in the Agreement, the physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. A Broker's inspection is limited visual inspection (see C.A.R. Form AVID); a Broker is not qualified to conduct the inspections listed below nor will Broker conduct these inspections checked by Buyer. For these reasons, you should conduct thorough inspections, investigations, tests, surveys and other studies (Inspections) of the Property personally and with appropriate professionals (see C.A.R. Form BIA and SBSA) who should provide written reports of their Inspections. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If any professional recommends further Inspections, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional Inspections.

B. BUYER RIGHTS AND DUTIES: 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 to investigate and verify information and facts that you know or that are within your diligent attention and observation. The Agreement gives you the right to investigate the Property. If you exercise this right, and you should, you must do so in accordance with the terms of the Agreement. This is the best way for you to protect yourself. It is extremely important for you to read all written reports provided by professionals and to discuss the results of Inspections with the professional who conducted the Inspection.

C. BROKER ADVICE: YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.

IF ANY BOX BELOW IS CHECKED "YES", BUYER AGREES TO PAY FOR THE SPECIFIED INSPECTION UNLESS OTHERWISE AGREED IN THE PURCHASE AGREEMENT. BUYER IS RESPONSIBLE FOR CHOOSING THE PROVIDER AND ORDERING THE INSPECTION. IF YOU DO NOT SPECIFICALLY REQUEST A PARTICULAR INSPECTION NOW, YOU MAY DO SO IN THE FUTURE, IN WRITING. HOWEVER, IF YOUR CONTRACTUAL INVESTIGATION PERIOD HAS EXPIRED, SELLER MAY NOT ALLOW THE INSPECTIONS AT THAT TIME.

D. BUYER INSPECTION ELECTION: Buyer represents and agrees that Buyer has independently considered the available Inspections and at this time has decided to order only those Inspections selected "Yes" below.

- | | | | |
|--|--------------------------|--|------------------------------------|
| 1. <input type="checkbox"/> Yes <input type="checkbox"/> No | GENERAL HOME INSPECTION | 20. <input type="checkbox"/> Yes <input type="checkbox"/> No | TREE/ARBORIST |
| 2. <input type="checkbox"/> Yes <input type="checkbox"/> No | WOOD DESTROYING PESTS | 21. <input type="checkbox"/> Yes <input type="checkbox"/> No | WELL |
| 3. <input type="checkbox"/> Yes <input type="checkbox"/> No | CHIMNEY | 22. <input type="checkbox"/> Yes <input type="checkbox"/> No | WATER SYSTEMS AND COMPONENTS |
| 4. <input type="checkbox"/> Yes <input type="checkbox"/> No | ELECTRICAL | 23. <input type="checkbox"/> Yes <input type="checkbox"/> No | RADON GAS |
| 5. <input type="checkbox"/> Yes <input type="checkbox"/> No | HEATING/AIR CONDITIONING | 24. <input type="checkbox"/> Yes <input type="checkbox"/> No | FORMALDEHYDE |
| 6. <input type="checkbox"/> Yes <input type="checkbox"/> No | LEAD PAINT | 25. <input type="checkbox"/> Yes <input type="checkbox"/> No | ASBESTOS |
| 7. <input type="checkbox"/> Yes <input type="checkbox"/> No | PLUMBING | 26. <input type="checkbox"/> Yes <input type="checkbox"/> No | METHANE GAS |
| 8. <input type="checkbox"/> Yes <input type="checkbox"/> No | SQUARE FOOTAGE | 27. <input type="checkbox"/> Yes <input type="checkbox"/> No | MOLD |
| 9. <input type="checkbox"/> Yes <input type="checkbox"/> No | STRUCTURAL | 28. <input type="checkbox"/> Yes <input type="checkbox"/> No | PERMITS |
| 10. <input type="checkbox"/> Yes <input type="checkbox"/> No | EASEMENTS/ENCROACHMENTS | 29. <input type="checkbox"/> Yes <input type="checkbox"/> No | PUBLIC RECORDS |
| 11. <input type="checkbox"/> Yes <input type="checkbox"/> No | FOUNDATION/SLAB | 30. <input type="checkbox"/> Yes <input type="checkbox"/> No | ZONING |
| 12. <input type="checkbox"/> Yes <input type="checkbox"/> No | LOT SIZE | 31. <input type="checkbox"/> Yes <input type="checkbox"/> No | GOVERNMENT REQUIREMENTS |
| 13. <input type="checkbox"/> Yes <input type="checkbox"/> No | BOUNDARIES | 32. <input type="checkbox"/> Yes <input type="checkbox"/> No | VACANT LAND/CONSTRUCTION FINANCING |
| 14. <input type="checkbox"/> Yes <input type="checkbox"/> No | POOL/SPA | 33. <input type="checkbox"/> Yes <input type="checkbox"/> No | CONSTRUCTION COSTS |
| 15. <input type="checkbox"/> Yes <input type="checkbox"/> No | ROOF | 34. <input type="checkbox"/> Yes <input type="checkbox"/> No | AVAILABILITY OF UTILITIES |
| 16. <input type="checkbox"/> Yes <input type="checkbox"/> No | SEWER | 35. <input type="checkbox"/> Yes <input type="checkbox"/> No | ENVIRONMENTAL SURVEY |
| 17. <input type="checkbox"/> Yes <input type="checkbox"/> No | SEPTIC SYSTEM | 36. <input type="checkbox"/> Yes <input type="checkbox"/> No | NATURAL HAZARDS REPORTS |
| 18. <input type="checkbox"/> Yes <input type="checkbox"/> No | SOIL STABILITY | 37. <input type="checkbox"/> Yes <input type="checkbox"/> No | SUBDIVISION OF PROPERTY |
| 19. <input type="checkbox"/> Yes <input type="checkbox"/> No | SURVEY | | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | OTHER: _____ | | |

Buyer DANNY LEUNG

Date 4-30-18

Buyer MANSOUR GHANBARI

Date 4-30-18

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BUYER'S INSPECTION ELECTION (BIE PAGE 1 OF 1)

Keenan Howard Realty, Inc. 2643 Appian Way Suite C Pinole CA 94564

Phone: 5107785655

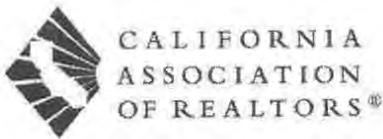
Fax: 8887367776

462 37th

Cielo Fuentes

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**BUYER'S INSPECTION WAIVER**

(C.A.R. Form BIW, 4/08)

462 37TH STREET

OAKLAND, CA 94609

Property Address: _____ ("Property").

A. IMPORTANCE OF PROPERTY INVESTIGATION: Unless otherwise specified in the purchase agreement used, the physical condition of the land and any improvements being purchased is not guaranteed by either Seller or Brokers. For this reason, (i) you should conduct thorough inspections, investigations, tests, surveys and other studies (Investigations) of the Property personally and with professionals of your own choosing who should provide written reports/disclosures of their findings and recommendations, and (ii) you should not rely solely on reports/disclosures provided by Seller or others. A general physical (home) inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If any professional recommends additional 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.

B. BUYER RIGHTS AND DUTIES: 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 to investigate and verify information and facts that you know or that are within your diligent attention and observation. If the purchase agreement gives you the right to investigate the Property the best way to protect yourself is to exercise this right. However, you must do so in accordance with the terms of, and time specified in, that agreement. It is extremely important for you to read all written reports/disclosures provided by professionals and to discuss the results of Investigations with the professionals who conducted the Investigations.

C. WAIVERS:

1. **HOME INSPECTION WAIVER:** Broker recommends that Buyer obtain a home inspection, even if Seller or Broker has provided Buyer with a copy of a home inspection report/disclosures obtained by Seller or a previous buyer. **IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

(____)(____) Buyer has decided not to obtain a general home inspection at this time. Unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain a general home inspection.

2. **WOOD DESTROYING PEST INSPECTION WAIVER:** Broker recommends that Buyer obtain an inspection for wood destroying pests and organisms (whether paid for by Buyer or Seller). **IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

(____)(____) Buyer has decided not to obtain an inspection for wood destroying pests and organisms at this time. Unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain an inspection for wood destroying pests and organisms.

3. **OTHER:** Broker recommends that Buyer obtain an inspection for the following items: _____

IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.

(____)(____) Buyer has decided not to obtain the inspection(s) noted above at this time. Unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain such inspection(s).

4. **ADDITIONAL WAIVERS:** Buyer has received a:

☐ General Home Inspection Report/Disclosure, prepared by _____ dated _____,
☒ Wood Destroying Pest and Organism Report/Disclosure, prepared by Proficient Termite Co dated 12/06/2018,
☒ Other Sewer Inspection Report/Disclosure, prepared by Superior Plumbing dated 12/20/2018.

That report/disclosure recommends that Buyer obtain additional Investigations, Broker recommends that Buyer obtain those additional Investigations. **IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

(____)(____) Buyer has decided not to obtain any of the additional inspections or reports/disclosures at this time and, unless Buyer makes a subsequent election in writing during Buyer's investigation period, if any, Buyer waives the right to obtain such additional inspections or reports/disclosures.

Buyer represents and agrees that Buyer has independently considered the above, and all other Investigation options, has read all written reports/disclosures provided by professionals and discussed the results with the professional who conducted the Investigation. Buyer further agrees that unless Buyer makes a subsequent election in writing during Buyer's Investigation period, if any, Buyer waives the right to conduct the Investigation(s) above.

Buyer

DANNY LEUNG

Date 4.30.18

Buyer

MANSOUR GHANBARI

Date 4-30-18

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